



80 South Jefferson Road
Whippany, NJ 07981

Richard A. Askoff
Executive Director – Regulatory

raskoff@neca.org
973 884-8350
fax 973 884-8008

August 29, 2008

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, N.W.
TW-A325
Washington, D.C. 20554

Re: NECA 2009 Modification of the Average Schedule Universal Service High Cost Loop Support Formula, CC Docket No. 96-45

Dear Ms. Dortch:

In compliance with the Wireline Competition Bureau's Order, released on December 30, 2004 (DA 04-4070), attached is NECA's 2009 Modification of the Average Schedule Universal Service High Cost Loop Support Formula. This filing contains proposed modifications to the formula used to calculate interstate universal service fund high cost loop expense adjustments for average schedule companies. These average schedule modifications are scheduled to take effect on January 1, 2009 and remain in effect through December 31, 2009.

In accordance with the Commission's rules, this *2009 Modification of the Average Schedule Universal Service High Cost Loop Support Formula* has been filed electronically in the above-referenced docket.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard A. Askoff".

Attachment:

2009 Modification of the Average Schedule Universal Service High Cost Loop Support Formula

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

2009

**NECA MODIFICATION OF
THE AVERAGE SCHEDULE UNIVERSAL SERVICE
HIGH COST LOOP SUPPORT FORMULA**

August 29, 2008

**NECA
80 South Jefferson Road
Whippany, NJ 07981**

**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
EFFECTIVE JANUARY 1, 2009**

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**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
EFFECTIVE JANUARY 1, 2009**

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**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
EFFECTIVE JANUARY 1, 2009**

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Summary

In this filing, the National Exchange Carrier Association, Inc. (NECA) proposes modifications to the formula used to calculate Universal Service Fund (USF) high cost loop (HCL) expense adjustments for average schedule companies. This formula and associated cost per loop values are intended to govern HCL payments to average schedule companies in the 2009 calendar year.

This filing describes the methods and results of NECA's studies to update the HCL Cost per Loop formula which was adopted by the Commission for use in determining average schedule USF payments in 2008¹.

¹ *Federal-State Joint Board on Universal Service, CC Docket No. 96-45, National Exchange Carrier Association, Inc. and Universal Service Administrative Company, 2008 Modification of Average Schedule Universal Service Formulas, Order, 21 FCC Rcd 188 (2007) (December 20, 2007 Order).*

A. Background

The proposed average schedule High Cost Loop (HCL) formula change is needed to assure payments to average schedule companies will simulate payments that would be received by representative cost companies, as required by Section 69.606(a) of the Commission's rules.

NECA proposes herein a formula relating cost per loop data of sample companies to their loops per exchange values (see Exhibit 1). NECA includes cost per loop amounts based on this formula for every average schedule study area in its Annual Universal Service Fund Submission of Study Results. These cost per loop amounts, when used with the payment algorithm prescribed in Section 36.631 of the Commission's rules, will produce HCL payments to individual companies consistent with the Commission's rules.

Annual payments to average schedule companies under the proposed formula will total approximately \$26.6 million payable to 394 average schedule study areas in 2009. These payments reflect the maintenance of the cap on the overall fund size. In comparison, payments in 2008 under the current formula are expected to amount to \$39.9² million to 362 study areas. The proposed payments represent a decrease of \$13.3 million, or 33.3%, compared to current payments.

² These payments are less than the \$46.8 million approved by the Bureau in its *December 20, 2007 Order* primarily because of adjustments to the NACPL made to assure the fund remains under its cap. These adjustments occurred as cost companies updated their data during the past year as permitted by Section 36.612 of the Commission's rules.

It should be noted the average schedule portion of high cost funding is small in part because average schedule companies generally have costs between 115% and 150% of the capped NACPL, and thus receive support compensating for only a minor portion of their loop costs. High cost loop funding for all rural companies in 2009 will amount to \$996.6 million. If the Commission approves the Cost per Loop formula proposed herein, the \$26.6 million in high cost loop funding made available in 2009 to average schedule companies will represent only 2.7% of the total high cost loop fund³.

³ During each year the capped NACPL adjusts upward because of quarterly data submission by cost companies reducing payments to average schedule companies for all months of the year, compared to payments filed by NECA in its average schedule modification.

B. Procedural Aspects

In preparing proposed formula revisions, NECA receives valuable assistance from the Industry Average Schedule Task Group. This group consists of exchange carrier representatives sponsored by industry associations (*i.e.* the National Telephone Cooperative Association, the Organization for the Promotion and Advancement of Small Telecommunications Companies and the United States Telecom Association). The Task Group meets several times a year during the course of NECA's study, reviews the steps taken in developing the proposed formulas, advises NECA regarding the development of procedures for administration of the formulas, and assists the NECA Board of Directors in evaluating final proposed formulas. Task Group participation assures average schedule companies are able to participate fully in the development of the average schedule formulas, and also have an opportunity to provide input to NECA regarding the ways in which changes in average schedule company networks can affect settlement formulas.

As it has done in the past for each proposed average schedule modification, NECA will provide a statement to each average schedule company advising it of the impacts of these modifications. This detailed notification includes a brief overview of the new formula as well as the factors contributing to changes in a company's support amount (*i.e.* changes in loop counts and exchange count data). These detailed, individual notifications assure average schedule companies become aware of proposed changes in the support formula to enable them to plan accordingly. NECA also provides data based on this formula to USAC for USF administration.

Exhibit 1
Proposed Cost Per Loop Regression Formula for 2009

If number of USF Loops is less than 50,000, and:

If Loops per Exchange is less than 700, then:

$$\text{Cost per Loop} = \$677.638873 - \$0.283384 \times \text{Loops per Exchange}$$

If Loops per Exchange is greater than or equal to 700 but less than 3,000, then:

$$\text{Cost per Loop} = \$491.853009 - \$0.017976 \times \text{Loops per Exchange}$$

If Loops per Exchange is greater than or equal to 3,000 but less than 8,000, then:

$$\text{Cost per Loop} = \$501.723662 - \$0.021266 \times \text{Loops per Exchange}$$

If number of USF loops is greater than or equal to 50,000 or if Loops per Exchange is greater than or equal to 8,000, then:

$$\text{Cost per Loop} = \$331.6$$

C. Data Used to Develop the Proposed Formula

This section describes the data underlying the proposed HCL formula. Data comes from three sources:

1. USF data submitted by the population of Subset 3 study areas settling on a cost basis.
2. Actual financial accounts and loop data from a sample of average schedule study areas.
3. Access line and exchange count data from the entire population of average schedule study areas.

Subset 3 cost study areas provided the categorized account data, which were used to compute cost categorization factors⁴. These data were collected in connection with the 2007 annual USF Data Submission and are available on the diskettes included with that submission.⁵

Account data and loop information were collected from the average schedule study areas sampled in 2006 and 2007. The 2006 sample provided 2005 financial accounts and loop information for 2006. The 2007 sample provided 2006 financial accounts and loop information for 2007. These data were used to determine Universal Service Fund (USF) loop cost values for each company, as described in the next section.

Loop data and access line counts from the sample were used to calculate a loop count value for each sample average schedule company. In the annual collection of data from sample study areas, NECA collects the following loop information to supplement access line counts: company official lines; off-premise extensions; and special access lines. NECA determined the count of USF loops for each sample study area by adding access lines, company official lines and off-premises extensions bridged in the central office.

⁴ Two cost study areas in the sample are excluded from the study because they serve Pacific Islands, unlike any average schedule companies.

⁵ See 2007 NECA Universal Service Fund Submission of 2006 Study Results, National Exchange Carrier Association, Inc. (Oct. 1, 2007) (*NECA 2007 USF Data Submission*).

A loops-per-access line ratio was calculated by dividing sample total USF loops by sample total access lines. Totals used in this calculation were weighted using sample weights. Sample weights are used to expand the sample to a population estimate. A study area's sample weight is the reciprocal of the probability of it being included in the sample. The sample weight measures the count of units in the population a member of the sample represents. For example, a study area with a sample weight of three represents three study areas in the average schedule population. An unbiased estimate of the population is achieved by weighting access line data in this manner. This means an estimate developed by this method is expected to neither overestimate nor underestimate the loops-per-access line ratio.

$$2009 \text{ Fund Loops per Access Line Ratio} = 1.015278$$

Account and loop data from the sample were projected to December 2007 using account level and access line growth rates developed in NECA's 2007 study and filed in the 2008 NECA Modification of Average Schedules⁶.

Access line⁷ data and exchange counts for the population of average schedule study areas were taken from NECA's settlement system for the month of December 2007 based on the June 2008 view. For the purpose of evaluating the proposed formula for each member of the average

⁶ See 2008 NECA Modification of Average Schedules, National Exchange Carrier Association. Inc. (Dec. 21, 2007).

⁷ Average schedule companies report access line counts to NECA each month based on their billing of End User Common Line (EUCL) charges associated with basic local exchange service. NECA uses the reported December line counts to calculate USF loops for these companies. Loop counts based on these line counts are included in Appendix C of this filing and also in the annual USF data submission filed on October 1st of each year.

schedule population, USF loop counts were calculated for each study area using the loops per access line ratio.

$$USF\ Loops = Access\ Lines \times Loops\ per\ Access\ Line\ Ratio$$

USF loop and exchange counts for each average schedule study area are displayed in Appendix C.

D. HCL Cost per Loop formula

This section describes the derivation of the average schedule HCL Cost per Loop formula by:

- Computing categorization factors from Subset 3 cost company data;
- Determining loop costs of a sample of average schedule study areas using these factors; and
- Using sample companies' actual loop cost data to derive a statistical regression model.

These steps are explained in the following three subsections.

1. Calculation of Categorization Factors from Subset 3 Cost Companies

Cost companies submit categorized data to NECA pursuant to Section 36.611 of the Commission's rules⁸. This data was used to compute average USF loop cost categorization factors. Loop cost categorization factors are the cost company fractions of accounts attributed to loop. They were developed from accounts related to Exchange

⁸ Data was taken from the USF Data submission filed with the Commission on October 1, 2007. See *NECA 2007 USF Data Submission*.

Line Cable and Wire (C&WF) Facilities (Category 1) and Exchange Line Central Office Circuit equipment (Category 4.13).

Loop cost categorization factors were developed for each of NECA's seven geographical regions, to recognize categorization differences in circuit equipment and cable and wire facilities across regions. For example, by computing the ratio of cost company Central Office Equipment (COE) 4.13 investment to total cost company COE investment, NECA developed average categorization factors for Category 4.13 investment.

Exhibit 2 summarizes how these categorization factors were computed from cost company data, and how they were used to allocate average schedule company data. The first column names the Algorithm line corresponding to instructions in Tab 3 of NECA's Universal Service Fund (USF) 2007 Submission of 2006 Study Results⁹. Algorithm lines AL3, AL4, AL5 and AL6 are categorization factors defined in the USF submission to apportion unseparated cost accounts to loop. Algorithm lines 13 through 24 are the various cost components of loop cost. Line 25 is the total unseparated loop cost. Line 26 is the cost per loop. Loop cost components are named in the second column in Exhibit 2. The third column is a description of each algorithm line and the last column presents cost categorization formulas used to calculate the value for each sample average schedule company.

Algorithm Lines 23 and 24 in Exhibit 2 use Adjustment Ratios to allocate Total Accumulated Depreciation to C&W Facilities and COE Transmission. This is done to ensure the amount of reserves assigned to loop is in proportion to the amount of

⁹ *Id.*

investment assigned to loop. The adjustment ratio is calculated as follows:

$$\text{Adjustment Ratio} = \frac{\text{Proportion Of Reserves Allocated To Loop}}{\text{Proportion Of Investment Allocated To Loop}}$$

For example, an adjustment ratio of 0.9622 for Cable & Wire Facilities means the portion of reserves allocated to Loop is 96.22% of the portion of Cable & Wire Facilities investment is allocated to Loop. Exhibit 3 describes the derivation of these ratios.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
AL3		Factor A: C&WF Cat. 1/Total C&WF	Average ratio by region based on cost company data
AL4		Factor B: COE Cat. 4.13/Total COE	Average ratio by region based on cost company data
AL5		Factor C (C&WF Gross Allocator): C&WF Cat. 1/Total Plant in Service	Average ratio by region based on cost company data
AL6		Factor D (COE Gross Allocator): COE Cat. 4.13/Total Plant in Service	Average ratio by region based on cost company data
AL13	C&WF Maintenance	C&WF Maintenance Expense assigned to Cat. 1 C&WF R&B Factor = <u>C&WF R&B Exp.</u> <u>C&WF Expense</u> ¹⁰	Factor A x (1 - C&WF R&B Factor) x <u>C&WF Expense</u> ¹⁰
AL14	COE Maintenance	COE Maintenance Expense assigned to Cat. 4.13 COE R&B Factor = <u>COE R&B Exp.</u> <u>COE Expense</u>	Factor B x (1 - COE R&B Factor) x <u>COE Expense</u>

¹⁰ Amounts underlined are data or calculated values of sample average schedule study areas. Other values are cost company factors.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
AL15	Network and General Support Expense	<p>Network Support Expense plus General Support Expense assigned to C&WF Cat. 1 and to COE Cat. 4.13</p> <p>Net. Spt. R&B Factor = $\frac{\text{Network Spt. R&B Exp.}}{\text{Network Support Expense}}$</p> <p>Gen. Spt. R&B Factor = $\frac{\text{General Spt. R&B Exp.}}{\text{General Support Expense}}$</p>	$(\text{Factor A} + \text{Factor B})$ $\times [(1 - \text{Network Support R&B Factor})$ $\times \underline{\text{Network Support Expense}}$ $+ (1 - \text{General Support R&B Factor})$ $\times \underline{\text{General Support Expense}}]$
AL16	Network Operations Expense	<p>Network Operations Expense assigned to C&WF Cat. 1 and to COE Category 4.13</p> <p>Ntwk. Oper. R&B Factor = $\frac{\text{Ntwk. Oper. R&B Exp.}}{\text{Ntwk. Oper. Expense}}$</p>	$(\text{Factor A} + \text{Factor B})$ $\times (1 - \text{Network Operations R&B Factor})$ $\times \underline{\text{Network Operations Expense}}$
AL17	C&WF Depreciation & Amortization Expense	<p>Depreciation & Amortization Expense assigned to C&WF Category 1</p> <p>Dep. Exp. C&WF Factor = $\frac{\text{Dep. & Amort. Exp. CWF}}{\text{C&WF}}$</p> <p>Tangibles -- C&WF = $\frac{\text{Amort. Tangible Assets -- C&WF}}{\text{Amort. Tangible Assets}}$</p> <p>Depreciation--Tang. Factor = $(\text{Deprec. -- Tangibles}) / \text{Tangibles}$</p>	<p>Factor A</p> $\times [(\text{Depreciation Expense Factor -- C&WF} \times$ $\underline{\text{C&WF}})$ $+ (\text{Depreciation Expense Factor -- Tangibles} \times$ $\underline{\text{Tangibles}}) + (\text{Tangibles Factor -- C&WF} \times$ $\underline{\text{Amort. Tangible Assets}})]$

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
AL18	COE Depreciation & Amortization Expense	<p>Depreciation & Amortization Expense assigned to COE Category 4.13</p> <p>Dep. Exp. COE Factor = $\frac{\text{Dep. & Amort. Exp. COE}}{\text{COE}}$</p> <p>Tangibles -- COE = $\frac{\text{Amort. Tangible Assets -- COE}}{\text{Amort. Tangible Assets}}$</p> <p>Depreciation--Tang. Factor = $\frac{\text{Deprec. -- Tangibles}}{\text{Tangibles}}$</p>	<p>Factor B</p> $\begin{aligned} & \times [(\text{Depreciation Expense Factor--COE} \times \underline{\text{COE}}) \\ & + (\text{Depreciation Expense Factor--Tangibles} \times \underline{\text{Tangibles}}) + (\text{Tangibles Factor -- COE} \times \underline{\text{Amort. Tangible Assets}})] \end{aligned}$
AL19	Corporate Operations Expense	Corporate Operations Expense assigned to C&WF Cat. 1 and to COE Cat. 4.13, limited as per §36.621(a)(4) ¹¹	(Factor C + Factor D) $\times \underline{\text{Corporate Operations Expense}}$

¹¹ For purposes of the USF Data Submission, Corporate Operations Expenses were subject to the cap imposed by the Commission in its Order on Reconsideration adopted July 10, 1997. See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order on Reconsideration, 12 FCC Rcd 10095 at ¶¶ 19-21 (1997). Modifications to this cap according to the RTF Order are reflected here.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
AL20	Operating Taxes	<p>Operating Taxes assigned to C&WF Cat. 1 and to COE Cat. 4.13</p> <p>Operating Taxes Factor = $\frac{\text{Operating Taxes}}{\text{Total Plant in Service}}$</p>	$(\text{Factor C} + \text{Factor D})$ $\times \text{Operating Taxes Factor}$ $\times \underline{\text{Total Plant in Service}}$
AL21 + AL22	Benefits & Rents	<p>Benefits & Rents other than Corporate Operations Expense assigned to C&WF Cat. 1 and COE Cat. 4.13</p> <p>C&WF R&B Factor = $\frac{\text{C&WF R&B Expense}}{\text{C&WF Expense}}$</p> <p>COE R&B Factor = $\frac{\text{COE R&B Expense}}{\text{COE Expense}}$</p> <p>Net. Sup. R&B Factor = $\frac{\text{Network Sup. R&B Exp.}}{\text{Network Support Expense}}$</p> <p>Gen. Sup. R&B Factor = $\frac{\text{General Sup. R&B Exp.}}{\text{General Support Expense}}$</p>	$(\text{Factor C} + \text{Factor D})$ $\times [(\text{C&WF R&B Factor} \times \underline{\text{C&WF Expenses}})$ $+ (\text{COE R&B Factor} \times \underline{\text{COE Expenses}})$ $+ (\text{Net. Sup. R&B Factor} \times \underline{\text{Net. Sup. Expenses}})$ $+ (\text{General Sup. R&B Factor} \times \underline{\text{General Sup. Expenses}})$ $+ (\text{Net. Op. R&B Factor} \times \underline{\text{Net. Op. Expenses}})]$

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
AL23	C&WF Return	<p>Return Component for C&WF Cat. 1</p> <p>C&WF Cat. 1 Factor = $\frac{\text{C\&WF Cat. 1}}{\text{C\&WF}}$</p> <p>Tangibles -- C&WF Factor = $\frac{\text{Tangibles --C\&WF}}{\text{Tangibles}}$</p> <p>Accum. Dep. Adj. Ratio -- C&WF (See Exhibit 3)</p>	$\{(\text{C\&WF Cat. 1 Factor} \times \underline{\text{C\&WF}})$ $+ (\text{Tangibles Factor} -- \text{C\&WF} \times \underline{\text{Tangibles}})$ $+ (\text{Factor C} \times \underline{\text{Materials \& Supplies}})$ $- \text{Factor A} \times [(\text{Accum. Dep. Adj. Ratio} -- \text{C\&WF})$ $\times \underline{\text{Acc. Dep.}} \times \underline{\% \text{C\&WF of TPIS}})$ $+ (\text{Net N.C. D. OIT Factor} -- \text{C\&WF} \times \underline{\text{TPIS}})$ $+ (\text{Tangibles Factor} -- \text{C\&WF} \times \underline{\text{Acc. Amo.}} - \underline{\text{Tangibles}})] \} \times .1125$
AL24	COE Return	<p>Return Component for COE Cat. 4.13</p> <p>COE Cat. 4.13 Factor = $\frac{\text{COE Cat. 4.13}}{\text{COE}}$</p> <p>Tangibles -- COE Factor = $\frac{\text{Tangibles --COE}}{\text{Tangibles}}$</p> <p>Accum. Dep. Adj Ratio -- COE. (See Exhibit 3)</p>	$\{(\text{COE Cat. 4.13 Factor} \times \underline{\text{COE}})$ $+ (\text{Tangibles Factor} -- \text{COE} \times \underline{\text{Tangibles}})$ $+ (\text{Factor D} \times \underline{\text{Materials \& Supplies}})$ $- \text{Factor B} \times [(\text{Accum. Dep. Adj Ratio} -- \text{COE})$ $\times \underline{\text{Acc. Dep}} \times \underline{\% \text{COE of TPIS}})$ $+ (\text{Net N.C. Def. OIT Factor} -- \text{COE} \times \underline{\text{TPIS}})$ $+ (\text{Tangibles Factor} -- \text{COE} \times \underline{\text{Acc. Amo.}} - \underline{\text{Tangibles}})] \} \times .1125$
AL25	Loop Costs	Total Unseparated Loop Cost	Sum of AL13 -- AL24
AL26	Cost Per Loop	Study Area Cost per Loop	AL25 Divided by Total Loops

Exhibit 3

Adjustment Ratios For Allocation Of Total Accumulated Depreciation

Description	Calculation	Factor name
COE Transmission fraction of TPIS	Sum DL240 / Sum DL160	TPIS % 2230
C&W Facilities fraction of TPIS	Sum DL255 / Sum DL160	TPIS % 2410
COE Transmission fraction of Tot. Acc. Dep.	Sum DL270 / Sum DL190	ACCT 3100 % 2230
C&W Facilities fraction of Tot. Acc. Dep.	Sum DL280 / Sum DL190	ACCT 3100 % 2410
Adjustment Ratio for COE Transmission.	ACCT 3100 % 2230 / TPIS % 2230	Accum. Dep. Adj. Ratio - COE
Adjustment Ratio for C&W Facilities.	ACCT 3100 % 2410 / TPIS % 2410	Accum. Dep. Adj. Ratio - C&WF

DL240 = COE Transmission (Acct 2230)

DL255 = C&WF Total (Acct 2410)

DL160 = Total Plant in Service (TPIS)

DL270 = Accumulated Depreciation - COE Transmission Equipment

DL280 = Accumulated Depreciation – Cable & Wire Facilities

DL190 = Accumulated Depreciation

Exhibit 4 displays the computed values of the loop cost categorization factors from sample cost companies, in each of NECA's seven geographical regions.

Exhibit 4
Loop Cost Categorization Factors from Sample Cost Companies

FACTOR	REGION1	REGION2	REGION3	REGION4	REGION5	REGION6	REGION7
FACTOR A	0.91538	0.94886	0.89964	0.89100	0.90558	0.81729	0.87629
FACTOR B	0.27088	0.40003	0.37858	0.42387	0.36107	0.35396	0.34951
FACTOR C	0.43642	0.52183	0.46583	0.52034	0.44618	0.43946	0.46627
FACTOR D	0.09251	0.12271	0.12162	0.11708	0.11505	0.10946	0.11286
C&WF RENTS & BENEFITS	0.29747	0.26854	0.31940	0.27328	0.24218	0.26303	0.25883
COE RENTS & BENEFITS	0.05152	0.06638	0.08806	0.08210	0.08658	0.09543	0.06671
TANGIBLES - C&WF	0.00000	0.00000	0.00000	0.21274	0.00000	0.00000	0.88951
TANGIBLES - COE TRANSMISSION	0.11113	0.00000	0.00000	0.00000	0.00000	0.72312	0.00000
TANGIBLES - COE CATEGORY 4.13	0.00000	0.00000	0.00000	0.00000	0.00000	0.72312	0.00000
ACCUMULATED DEPRECIATION - C&WF	0.47252	0.55038	0.49294	0.55975	0.44362	0.50888	0.52246
ACCUMULATED DEPRECIATION - COE TRANS.	0.15498	0.18317	0.19490	0.19076	0.19595	0.21390	0.19175
NET NON-CURR DEF FIT-C&WF- Commercial Comp.	0.02373	0.01803	0.01573	0.02183	0.01249	0.01454	0.01298
NET NON-CURR DEF FIT-C&WF- Coops	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
NET NON-CURR DEF FIT-COE TRANS.- Comm Comp.	0.00829	0.00813	0.00473	0.00605	0.00415	0.00671	0.01036
NET NON-CURR DEF FIT-COE TRANS.- Coops	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
NETWORK SUPPORT RENTS & BENEFITS	0.05834	0.18182	0.17808	0.07040	0.16878	0.07336	0.35080
GENERAL SUPPORT RENTS & BENEFITS	0.18189	0.13014	0.23197	0.15634	0.28207	0.30475	0.14452
NETWORK OPERATIONS BENEFITS	0.14840	0.23087	0.27146	0.21296	0.25221	0.28010	0.22761
DEPRECIATION EXPENSE - C&WF	0.04388	0.05145	0.04867	0.04997	0.04499	0.04563	0.04642
DEPRECIATION EXPENSE -COE TRANSMISSION	0.06816	0.08788	0.08990	0.08522	0.08285	0.07485	0.08261
DEPRECIATION - TANGIBLES	0.00000	0.00000	0.00000	0.15756	0.00000	0.00000	0.00949
ACCUM. DEP. ADJ. RATIO - COE	0.91432	0.98855	1.03816	1.07932	1.09239	1.12032	0.97102
ACCUM. DEP. ADJ. RATIO - C&WF	0.96224	0.96970	0.92858	0.93619	0.87701	0.91803	0.95306
OPERATING INCOME TAX - Cooperatives	0.00676	0.00470	0.00823	0.00892	0.00704	0.00686	0.00617
OPERATING INCOME TAX-Commercial Companies	0.01948	0.02986	0.02189	0.02760	0.02055	0.01645	0.02422

2. Calculation of Loop Cost for Sample Average Schedule Companies

NECA calculated loop costs for sample average schedule companies consistent with the Part 36 rules applying to cost companies. Accordingly, for each average schedule study area in the sample, the loop cost is the accumulation of components of accounts assigned to loop. Costs assigned to the loop include Cable & Wire Facilities investment in Category 1, COE investment in Category 4.13 and other accounts assigned proportionately based on these accounts. Portions of costs in accounts assigned to loop were determined using the allocation ratios derived from cost companies.

NECA applied the cost categorization factors shown in Exhibit 4 to uncategorized accounts from sample average schedule study areas to produce unseparated average schedule category-level loop costs. Section 36.621 of the Commission's rules describes various unseparated accounts making up a study area's total unseparated loop costs. Following this method, the unseparated loop cost for each sample average schedule study area was determined by summing the following categories related to COE Category 4.13 and C&WF Category 1 plant, as follows.

$$\begin{aligned} \text{Loop Cost} = & \text{ Maintenance Expense} + \text{Network \& General Support Expenses} \\ & + \text{Network Operations Expense} + \text{Depreciation \& Amortization Expense} \\ & + \text{Corporate Operations Expense} + \text{Operating Taxes} + \text{Benefits Expense} \\ & + \text{Rent Expense} + \text{Return on Investment} \end{aligned}$$

Exhibit 5 presents the results of loop cost calculations for the average schedule sample.

The calculated actual cost per loop amounts, when used with the payment algorithm prescribed in Section 36.631 of the Commission's rules, produce \$108.7 million in

uncapped USF expense adjustment amounts sample companies would be entitled to receive if they were to conduct cost studies.

NECA estimated the amount of expense adjustment to which the entire population of average schedule companies would be entitled if they were to conduct the necessary cost studies, by using the sample weights described in Section C. Based on this calculation, the total uncapped expense adjustment amount payable to the entire population of average schedule companies based on cost studies would be \$189.8 million in 2009.

Exhibit 5

Allocation of Unseparated Total Accounts to Loop Weighted Total Data from the Average Schedule Sample

Cost Category	Calculation Method	Total Account Per Loop	Avg Loop %	Loop Cost Per Loop
C&WF Category 1	Cost Company Factor	1645.09	0.9074	1492.8
COE Category 4.13	Cost Company Factor	1215.57	0.3521	427.97
Factor A	% C&WF Cat 1 of Total C&WF	1645.37	0.9073	1492.8
Factor B	% COE Cat 4.13 of Total COE	1215.57	0.3521	427.97
Factor C	% C&WF Cat 1 of TPIS	3351.3	0.4454	1492.8
Factor D	% COE Cat 4.13 of TPIS	3351.3	0.1277	427.97
Materials & Supplies for CWF Cat 1	Factor C x M&S	20.65	0.4385	9.05
Materials & Supplies for COE Cat 4.13	Factor D x M&S	20.65	0.1260	2.6
Reserves for CWF Cat 1	Factor A x Reserves	2334.93	0.4112	960.11
Reserves for COE Cat 4.13	Factor B x Reserves	2334.93	0.1377	321.57
Factor E	% Net C&WF Cat 1 of Net TPIS	1103.59	0.4909	541.74
Factor F	% Net COE Cat 4.13 of Net TPIS	1103.59	0.0988	109
Maintenance of C&WF Cat 1	Factor A x (Maintenance - R & B)	64.25	0.6515	41.86
Maintenance of COE Cat 4.13	Factor B x (Maintenance - R & B)	50.28	0.2915	14.66
Network Support Assigned to Loop	(Fact C + Fact D) x (Net Sup Exp - R&B)	2.9	0.4559	1.32
General Support Assigned to Loop	(Fact C + Fact D) x (Gen Sup Exp - R&B)	26.59	0.4733	12.58
Network Operations Assigned to Loop	(Fact C + Fact D) x (Net Ops Exp - R&B)	47.63	0.4517	21.52
Depreciation of C&WF Cat 1	C&WF Cat 1 x C&WF Deprec Rate	1492.8	0.0478	71.4
Depreciation of COE Cat 4.13	COE Cat 4.13 x COE Deprec Rate	427.97	0.0807	34.52
Corporate Oper. Exp. Assigned to Loop	(Fact C + Fact D) * Corp. Oper. Exp.	139.46	0.5417	75.55
Operating Taxes Assigned to Loop	(Factor C + Factor D) x Oper Taxes	60.35	0.5712	34.47
Benefits in Oper. Exp. Assigned to Loop	(Fact C + Fact D) x (Benefits - Corp Ops)	144.02	0.1873	26.98
Rents in Oper Exp Assigned to Loop	(Fact C + Fact D) x (Rents - Corp Ops)	144.02	0.0381	5.49
Return on C&WF Cat 1	.1125 x Net CWF Cat 1	541.74	0.1125	60.95
Return on COE Cat 4.13	.1125 x Net COE Cat 4.13	109	0.1125	12.26
Total Loop Cost	Sum 13 Thru 24	3251	0.1272	413.55

3. Cost per Loop Formula for 2009

This study develops a formula simulating the cost per loop data of sample companies, which is used to compute loop costs as the basis of expense adjustments for all average schedule companies. The underlying basis of the formula is the comparison of cost per loop data obtained from average schedule sample companies to their ratios of loops per exchange. Based on the relationship of these variables, a mathematical model is developed and is used to compute HCL cost per loop for each member of the total population of average schedule companies.

NECA used the actual cost per loop data of sample average schedule study areas to derive a statistical regression model. This model form was first presented in the 2002 NECA Modification of Average Schedule Universal Service Formulas, filed on October 1, 2001, and approved by the Commission in its July 30, 2002 Order¹². The model relating cost per loop to loops per exchange in this year's study produces statistically significant coefficients. NECA proposes use of this model form in 2009 as the review of other possible cost per loop models did not produce a model with better overall performance.

In Appendix B of this filing NECA presents actual HCL cost per loop (CPL) data for sample average schedule study areas. This section explains the use of that data to develop a statistical model for calculating CPL values for each study area in the average schedule population.

¹² See *Federal-State Joint Board on Universal Service, CC Docket No. 96-45, National Exchange Carrier Association, Inc. Proposed 2002 Modification of Average Schedule Formulas*, Order, 17 FCC Rcd 14236 (2002)

This model uses the outlier accommodation method for regression, first introduced in NECA's December 31, 1998 average schedule filing¹³ and approved by the Commission¹⁴. The threshold used in this calculation was equal to three standard deviations of the residuals. The outlier accommodation method uses weighted linear regression, with regression weights defined in two steps. First residuals and DFFITS values for each observation are determined by an unweighted linear regression. Then regression weights are calculated using these values.

If $\text{Abs}(\text{residual}) \leq \text{threshold}$, then regression weight_i=1

$$\text{Else regression weight}_i = \left(\frac{C/2}{DFFITS_i} \right)^2, \text{ where } C = 2\sqrt{\frac{P+1}{N-P-1}}$$

P = number of model coefficients, N = number of observations

The model relates the CPL variable (the dependent variable) to the loops per exchange variable using constrained linear regression. The model reflects the CPL trend of sample companies, which show relatively higher costs associated with lower values of loops per exchange. This trend decreases at one rate for the smallest study areas, then decreases at slower rates for each of two groups of midsize average schedule study areas, and finally levels off for the larger study areas.

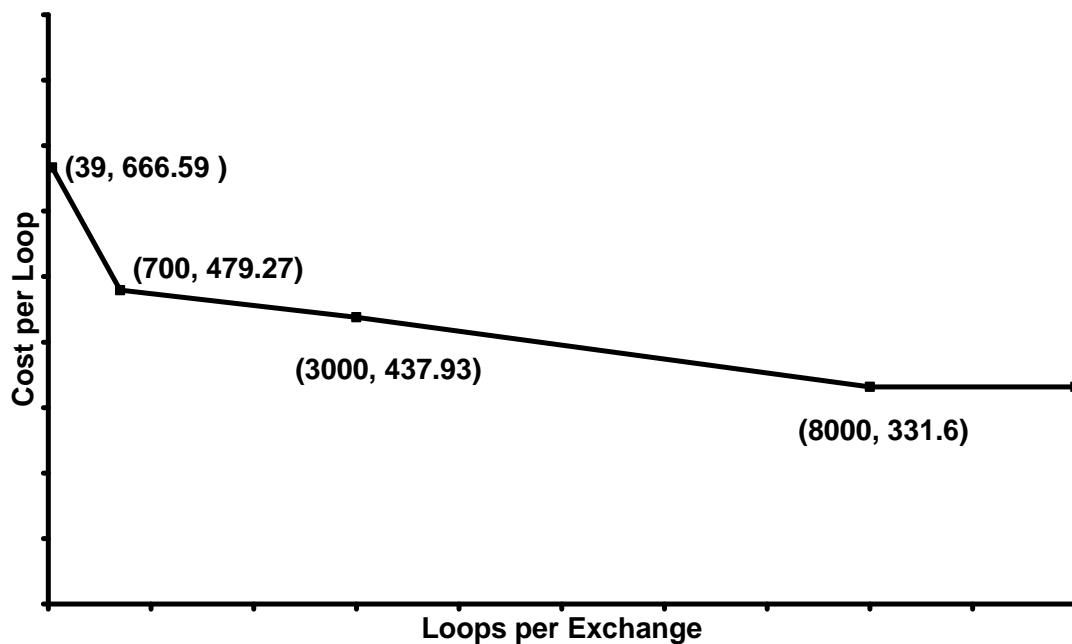
Breakpoints and levels of the straight line components of the formula were chosen because they best fit the cost per loop data. NECA designed formula breakpoints to

¹³ See 1999 NECA Modifications of Average Schedules, National Exchange Carrier Association, Inc. (Dec. 31, 1998).

¹⁴ See *National Exchange Carrier Association, Inc., Proposed Modifications to the 1999-2000 Interstate Average Schedule Formulas*, ASD 99-18, Order, 14 FCC Rcd 9803 (1999).

assure support amounts would be accurately distributed across study areas in all size ranges. NECA statistically determined the formula would be more accurate if it had breakpoints (BP) at 700, 3000, and 8000 loops per exchange. In order to reflect these trends, NECA developed a Cost per Loop model consisting of four straight lines connected at these breakpoints. NECA tested sets of breakpoints and regression coefficients iteratively to determine the combination with the best fit to the data.

Exhibit 6
Cost Per Loop Model



To fit the Cost per Loop formula to sample company data, NECA first calculated the overall average CPL of study areas with more than 50,000 USF Loops, or with loops per exchange exceeding 8000, using the standard weighted ratio estimation method. This method produced a formula Cost per Loop for this group of study areas of \$331.6. This CPL is a good statistical representation of the data for these study areas, which show a consistently flat trend as relates to loops per exchange.

$$\text{Cost Per Loop} = \frac{\sum_{ECs > (8000 LPE \text{ or } 50000 \text{ Loops})} \text{Sample Weight}_i \cdot \text{Outlier Weight}_i \cdot \text{Loop Cost}_i \cdot \text{Loops}_i}{\sum_{ECs > (8000 LPE \text{ or } 50000 \text{ Loops})} \text{Sample Weight}_i \cdot \text{Outlier Weight}_i \cdot \text{Loops}_i}$$

Next, NECA used linear regression to solve for other parameters of the model. The regression model is a sequence of four connected straight lines specified as follows (CPL designates the study area's cost per loop; LPE designates each study area's loops per exchange, and BP designates breakpoint).

$$CPL_i = [a_1 + b_1 LPE_i] \delta_{1i} + [a_2 + b_2 LPE_i] \delta_{2i} + [a_3 + b_3 LPE_i] \delta_{3i} + a_4 \delta_{4i}$$

where: $\delta_{1i} = 1$, if ($LPE_i \leq BP_1$, and loops $< 50,000$), and $\delta_{1i} = 0$ otherwise.

$\delta_{2i} = 1$, if ($BP_1 < LPE_i \leq BP_2$, and loops $< 50,000$), and $\delta_{2i} = 0$ otherwise.

$\delta_{3i} = 1$, if ($BP_2 < LPE_i \leq BP_3$, and loops $< 50,000$) and $\delta_{3i} = 0$ otherwise.

$\delta_{4i} = 1$, if ($BP_3 > LPE_i$, or loops $\geq 50,000$) and $\delta_{4i} = 0$ otherwise.

The model is constrained at the breakpoints, BP_1 , BP_2 and BP_3 , so that:

$$a_1 + b_1 \cdot BP_1 = a_2 + b_2 \cdot BP_1$$

$$a_2 + b_2 \cdot BP_2 = a_3 + b_3 \cdot BP_2$$

$$a_3 + b_3 \cdot BP_3 = a_4 = \$331.6$$

The resulting model is derived using standard linear regression methods, including outlier weighting as described earlier in this section. This model fits the CPL data most accurately, and reflects relationships between loop cost and loops per exchange. The resulting Cost per Loop model is shown in Exhibit 1.

This model produces cost per loop values uniformly higher than the current formula except for the companies with LPE less than 669 LPE.

E. HCL Payments for the Population of Average Schedule companies

In 2009, actual HCL payments will be determined using each company's CPL value, the expense adjustment algorithm, and the NACPL value adjusted according to the Commission's rules to cap the total fund size. Following is a discussion of the effects of these calculations.

According to the Commission's rule 36.631 NECA calculates expense adjustments two ways, first using the uncapped NACPL defined to be \$240.00, and second using the "capped" NACPL of \$383.24 at the time of this filing¹⁵.

¹⁵ This is NECA's initial estimate of the capped NACPL for 2009, based on data reported to date.

Although cost per loop values for most of the average schedule companies are projected to increase, the payments to average schedule companies will be reduced, due to the cap on payments, from the uncapped expense adjustment level of \$184.9 million to \$26.6 million. Average schedule companies actually receiving payments in 2009 are those with loops per exchange less than 2,844, according to NECA's current view of the capped NACPL. Because the current capped NACPL does not yet reflect quarterly updates to cost data submissions to be filed after October 1 of this year, the capped NACPL can be expected to increase, further reducing average schedule payments compared to levels stated above.

F. Effects of Changes on Average Schedule Companies

This section provides a summary comparison of proposed payments of \$26.6 million and current payments of \$39.9 million, categorized by line size group and by percent change.

Exhibit 7 summarizes the monthly changes in payments by study area size.

Exhibit 7
Proposed Monthly HCL Payment Changes By Loop Size

Access Line Size Group	Count of Study Areas	2008 USF Payments (current)	2009 Proposed Payment (Fund Cap Applied)	Monthly Change per Loop	Percent Difference
0 TO 500	68	\$289,820	\$147,659	-\$7.70	-49.05
500 TO 1000	92	\$466,254	\$271,997	-\$2.88	-41.66
1000 TO 2500	140	\$1,168,541	\$718,817	-\$2.00	-38.49
2500 TO 5000	58	\$690,060	\$444,524	-\$1.14	-35.58
5000 TO 10000	45	\$493,795	\$386,282	-\$0.34	-21.77
10000 TO 20000	18	\$171,934	\$167,064	-\$0.02	-2.83
OVER 20000	16	\$48,528	\$84,049	\$0.04	73.20

Exhibit 8 summarizes the monthly changes in expense adjustments by percent change bands.

Exhibit 8

Proposed Monthly HCL Payment Changes By Per Cent Change Bands

Percent Change Group	Count of Study Areas	2008 USF Payments (current)	2009 Proposed Payment (Fund Cap Applied)	Monthly Change per Loop
-70% TO -60%	1	\$5,063	\$1,933	-\$16.83
-60% TO -50%	37	\$439,451	\$217,213	-\$9.58
-50% TO -40%	114	\$1,780,865	\$937,656	-\$5.84
-40% TO -30%	27	\$202,453	\$130,141	-\$2.22
-30% TO -20%	76	\$409,964	\$308,769	-\$0.66
-20% TO -10%	34	\$169,445	\$143,550	-\$0.31
-10% TO -5%	12	\$54,730	\$50,752	-\$0.12
-5% TO -2%	7	\$30,528	\$29,380	-\$0.06
-2% TO 0%	1	\$5,924	\$5,900	-\$0.01
0% TO 2%	49	\$33,242	\$33,460	\$0.00
2% TO 5%	3	\$37,855	\$38,938	\$0.06
5% TO 10%	8	\$69,540	\$74,751	\$0.09
10% TO 20%	4	\$19,921	\$23,422	\$0.19
20% TO 30%	7	\$31,445	\$39,169	\$0.24
30% TO 40%	2	\$5,618	\$7,707	\$0.32
40% TO 50%	1	\$1,304	\$1,880	\$0.33
50% TO 60%	4	\$8,651	\$13,256	\$0.39
60% TO 70%	2	\$4,658	\$7,574	\$0.43
70% TO 80%	4	\$5,362	\$9,349	\$0.46
80% TO 90%	1	\$971	\$1,810	\$0.46
100%	32	\$0	\$92,747	\$0.39
100% TO 200%	6	\$6,458	\$14,528	\$0.56
200% TO 300%	3	\$2,152	\$6,990	\$0.64
OVER 300%	2	\$3,332	\$29,517	\$0.73

G. Conclusion

The proposed HCL formula shown in Exhibit 1 herein has been shown to conform to FCC rules regarding USF reporting, to produce payments consistent with those experienced by similarly situated cost companies as required by the Commission's Part 69 rules, and to yield reasonable changes in payments to average schedule companies. The Commission should approve this formula to go into effect on January 1, 2009.

Appendix A
2008 Average Schedule USF Study
Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
1	100005	COBOSSEECONTEE TEL. CO.
2	100015	COMMUNITY SERVICE TEL. CO.
3	100019	OXFORD COUNTY TEL. & TELE. CO.
4	100020	PINE TREE TEL. & TELE. CO.
5	100022	SACO RIVER TEL. & TELE. CO.
6	120042	DIXVILLE TEL. CO.
7	120043	DUNBARTON TEL. CO.
8	140053	FRANKLIN TEL. CO.-VT
9	140064	SHOREHAM TEL. CO., INC.
10	150076	CASSADAGA TEL. CORP.
11	150125	STATE TEL. CO.
12	170145	BENTLEYVILLE COMM CORP dba THE BENTLEYVILLE
13	170151	BUFFALO VALLEY TEL. CO.
14	170156	CITIZENS TEL. CO. OF KECKSBURG
15	170161	COMMONWEALTH TELEPHONE COMPANY
16	170162	THE CONESTOGA TEL. AND TEL. CO.
17	170165	DENVER AND EPHRATA TEL. & TEL. CO.
18	170171	HICKORY TEL. CO.
19	170175	IRONTON TEL. CO.
20	170179	LAUREL HIGHLAND TEL. CO.
21	170191	THE NORTH-EASTERN PENNSYLVANIA TELEPHONE CO.
22	170193	CONSOLIDATED COMMUNICATIONS OF PA COMPANY
23	170195	ARMSTRONG TEL. CO. NORTH
24	170196	PALMERTON TELEPHONE COMPANY
25	170197	PENNSYLVANIA TEL. CO.
26	170200	PYMATUNING IND. TEL. CO.
27	170204	SOUTH CANAAN TEL. CO.
28	170210	VENUS TEL. CORP.
29	170215	YUKON-WALTZ TEL. CO.
30	170277	WEST SIDE TEL. CO.-PA
31	190219	BUGGS ISLAND TEL. COOP.
32	190220	BURKE'S GARDEN TEL. CO., INC.
33	190225	CITIZENS TEL. COOP.-VA
34	190226	NTELOS, INC.
35	190236	NORTH RIVER TEL. COOP.
36	190237	HIGHLAND TEL. COOP.-VA
37	190238	MGW TELEPHONE COMPANY, INC.
38	190239	NEW HOPE TELEPHONE COOPERATIVE
39	190243	PEMBROKE TEL. COOP.
40	190248	SCOTT COUNTY TEL. COOP. INC.
41	190250	SHENANDOAH TEL. CO.
42	190253	VIRGINIA TEL. CO.
43	200258	WAR ACQUISITION CORP. DBA WAR TELEPHONE CO.
44	220324	VALLEY TELEPHONE CO., LLC
45	220364	WINDSTREAM GEORGIA TELEPHONE, INC.
46	220380	PROGRESSIVE RURAL TEL. COOP., INC.
47	220387	FRONTIER COMMUNICATIONS OF GEORGIA, LLC
48	220389	TRENTON TEL. CO.
49	220395	WINDSTREAM ACCUCOMM TELECOMMUNICATIONS, INC.

Appendix A
2008 Average Schedule USF Study
Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
50	230478	ELLERBE TEL. CO.
51	230491	NORTH STATE TEL. CO.-NC dba NORTH STATE COMM.
52	230494	PINEVILLE TEL. CO.
53	230495	RANDOLPH TEL. CO.
54	230496	RANDOLPH TEL. MEMB. CORP.
55	230497	PIEDMONT TEL. MEMB. CORP.
56	230500	SERVICE TEL. CO.
57	230501	SKYLINE TEL. MEMB. CORP.
58	230503	SURRY TEL. MEMB. CORP.
59	230505	TRI-COUNTY TEL. MEMB. CORP.-NC
60	230511	YADKIN VALLEY TEL. MEMB. CORP.
61	240515	CHESNEE TEL. CO.
62	240516	CHESTER TEL. CO.-SC
63	240532	LOCKHART TEL. CO., INC.
64	240535	NORWAY TEL. CO., INC.
65	240536	PALMETTO RURAL TEL. COOP., INC.
66	240541	RIDGEWAY TEL. CO., INC.
67	240546	SANDHILL TEL. COOP., INC.
68	250283	BRINDLEE MOUNTAIN TEL. CO.
69	250285	CASTLEBERRY TEL. CO., INC.
70	250301	FRONTIER COMMUNICATIONS OF LAMAR COUNTY, LLC
71	250311	OAKMAN TEL. CO., INC.
72	250312	OTELCO TELEPHONE LLC
73	250322	UNION SPRINGS TEL. CO.
74	260396	BALLARD RURAL TEL. COOP. CORP., INC.
75	260398	BRANDENBURG TEL. CO., INC.
76	260408	GEARHEART COMM. DBA COALFIELDS TEL. CO.
77	260412	LEWISPORT TEL. CO., INC.
78	260414	MOUNTAIN RURAL TEL. COOP. CORP., INC.
79	260417	SALEM TEL. CO.
80	260419	THACKER/GRIGSBY TEL. CO., INC.
81	270428	DELCAMBRE TEL. CO.
82	280451	DECATUR TEL. CO., INC.-MS
83	280460	FRONTIER COMM. OF MISSISSIPPI, INC.
84	280467	SMITHVILLE TEL. CO.
85	287449	MYRTLE TEL. CO., INC.
86	290553	BEN LOMAND RURAL TEL. COOP., INC.
87	290554	BLEDSOE TEL. COOP.
88	290565	HIGHLAND TEL. COOP., INC.-TN
89	290570	LORETTO TEL. CO., INC.
90	290598	WEST KENTUCKY RURAL TELEPHONE COOP. CORP.-TN
91	300585	ARCADIA TEL. CO.
92	300586	THE ARTHUR MUTUAL TEL. CO.
93	300588	AYERSVILLE TEL. CO.
94	300589	BASCOM MUTUAL TEL. CO.
95	300590	BENTON RIDGE TEL. CO.
96	300591	BUCKLAND TELEPHONE COMPANY
97	300594	THE CHAMPAIGN TEL. CO.
98	300604	COLUMBUS GROVE TEL. CO.

Appendix A
2008 Average Schedule USF Study
Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
99	300609	DOYLESTOWN TEL. CO.
100	300614	FORT JENNINGS TEL. CO.
101	300619	GLANDORF TEL. CO., INC.
102	300625	KALIDA TEL. CO., INC.
103	300633	MIDDLE POINT HOME TEL. CO.
104	300634	MINFORD TEL. CO., INC.
105	300639	THE NEW KNOXVILLE TEL. CO.
106	300645	OAKWOOD TEL. CO.
107	300650	THE OTTOVILLE MUTUAL TEL. CO.
108	300651	PATTERSONVILLE TEL. CO.-OH
109	300654	RIDGEVILLE TEL. CO.
110	300656	SHERWOOD MUTUAL TEL. ASSOC.
111	300659	TELEPHONE SERVICE CO.
112	300662	VANLUE TEL. CO.
113	300663	VAUGHNSVILLE TEL. CO., INC.
114	300664	WABASH MUTUAL TEL. CO.
115	310669	ALLENDALE TEL. CO.
116	310675	BARAGA TELEPHONE COMPANY
117	310676	BARRY COUNTY TEL. CO.
118	310678	BLANCHARD TEL. ASSOC., INC.
119	310688	CLIMAX TEL. CO.
120	310692	DRENTHE TEL. CO.
121	310694	FARMERS MUT. OF CHAPIN DBA CHAPIN TEL. CO.
122	310703	KALEVA TEL. CO.
123	310725	SAND CREEK TEL. CO.
124	310735	WESTPHALIA TEL. CO.
125	320744	CAMDEN TEL. CO., INC.-IN
126	320750	FRONTIER COMM. OF INDIANA, INC.
127	320751	CITIZENS TEL. CORP.-WARREN
128	320756	CRAIGVILLE TEL. CO., INC.
129	320771	GEETINGSVILLE TEL. CO., INC.
130	320777	HOME TEL. CO. OF PITTSBORO, INC.
131	320778	HOME TEL. CO., INC.
132	320792	MULBERRY COOP. TEL. CO., INC.
133	320796	NEW LISBON TEL. CO., INC.
134	320809	COMM. CORP. OF SOUTHERN INDIANA
135	320816	S & W TEL. CO., INC.
136	320826	SWAYZEE TEL. CO., INC.
137	320827	SWEETSER RURAL TEL. CO., INC.
138	320829	TIPTON TEL. CO., INC.
139	320830	TRI-COUNTY TEL. CO., INC.-IN
140	320837	WEST POINT TEL. CO., INC.
141	320839	YEOMAN TEL. CO., INC.
142	330842	AMERY TELCOM, INC.
143	330843	AMHERST TEL. CO.
144	330846	BALDWIN TELCOM., INC.
145	330847	BELMONT TEL. CO.
146	330848	BERGEN TEL. CO.
147	330849	BLACK EARTH TEL. CO.

Appendix A
2008 Average Schedule USF Study
Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
148	330851	BONDUEL TEL. CO.
149	330856	BURLINGTON BRIGHTON & WHEATLAND TEL.
150	330865	CLEAR LAKE TEL. CO., INC.-WI
151	330868	COON VALLEY FARMERS TEL. CO., INC.
152	330872	CUBA CITY TEL. EXCH. CO.
153	330875	DICKEYVILLE TEL. CO.
154	330879	FARMERS IND. TEL. CO.-WI
155	330880	FARMERS TEL. CO.-WI
156	330881	MID-PLAINS TEL., INC.
157	330889	HAGER TELECOM, INC.
158	330892	HILLSBORO TEL. CO., INC.
159	330896	LAKEFIELD TEL. CO.
160	330900	LEMONWEIR VALLEY TEL. CO.
161	330902	LUCK TEL. CO.
162	330905	MANAWA TEL. CO.
163	330914	EASTCOAST TELECOM, INC.
164	330915	MOSINEE TEL. CO.
165	330925	BAYLAND TEL, INC.
166	330930	GRANTLAND TELECOM, INC.
167	330938	NORTHEAST TEL. CO.
168	330943	RIVERSIDE TELECOM, INC.
169	330944	FRONTIER COMM.-ST. CROIX LLC
170	330945	SCANDINAVIA TEL. CO.
171	330946	SHARON TEL. CO.
172	330951	SOMERSET TEL. CO., INC.
173	330955	STATE LONG DISTANCE TEL. CO.
174	330962	UNION TEL. CO.
175	330966	VERNON TEL. COOP.
176	330967	FRONTIER COMM. OF VIROQUA LLC
177	330968	WAUNAKEE TEL. CO.
178	330970	CENTURYTEL OF THE MIDWEST-WI/WAYSIDE
179	340976	ADAMS TEL. COOP.
180	340983	CAMBRIDGE TEL. CO.-IL
181	340990	CLARKSVILLE MUTUAL TEL. CO.
182	340993	CROSSVILLE TEL. CO.
183	340998	FRONTIER COMM. OF DEPUE, INC.
184	341016	GENESEO TEL. CO.
185	341017	GLASFORD TEL. CO.
186	341021	THE GRANDVIEW MUTUAL TEL. CO.
187	341024	HAMILTON COUNTY TELEPHONE CO-OP
188	341029	HENRY COUNTY TEL. CO.
189	341041	KINSMAN MUTUAL TEL. CO.
190	341046	LEONORE MUTUAL TEL. CO.
191	341050	MARSEILLES TEL. CO. OF MARS.
192	341053	METAMORA TEL. CO.
193	341062	NEW WINDSOR TEL. CO.
194	341075	REYNOLDS TEL. CO.
195	341086	TONICA TEL. CO.
196	341087	VIOLA HOME TEL. CO.

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Obs	Study Area Code	Study Area Name
197	341092	STELLE TEL. CO.
198	351097	ANDREW TEL. CO., INC.
199	351098	ARCADIA TEL. COOP.
200	351101	ATKINS TEL. CO.
201	351107	BALDWIN-NASHVILLE TEL. CO., INC.
202	351108	BARNES CITY COOP. TEL. CO.
203	351112	BREDA TEL. CORPORATION
204	351113	BROOKLYN MUTUAL TEL. CO.
205	351114	THE BURT TEL. CO.
206	351115	BUTLER-BREMER MUT. TEL. CO.
207	351118	CASCADE COMMUNICATIONS COMPANY
208	351119	CASEY MUTUAL TEL. CO.
209	351121	CENTER JUNCTION TEL. CO., INC.
210	351125	CENTRAL SCOTT TEL.
211	351126	CenturyTel of Chester, Inc.
212	351130	CLARENCE TEL. CO., INC.
213	351133	C-M-L TEL. COOP. ASSN.
214	351136	COON CREEK TEL. CO.
215	351137	COON VALLEY COOP. TEL. ASSN., INC.
216	351139	COOP. TEL. CO.
217	351141	CORN BELT TEL. CO.
218	351146	CUMBERLAND TEL. CO.
219	351147	DANVILLE MUT. TEL. CO.
220	351149	FARMERS MUTUAL COOPERATIVE TEL CO (DEFIANCE)
221	351150	DIXON TEL. CO.
222	351152	DUMONT TEL. CO.
223	351153	DUNKERTON TEL. COOP., INC.
224	351157	ELLSWORTH COOP. TEL. ASSN.
225	351160	F&B COMMUNICATIONS, INC.
226	351162	FARMERS COOP. TEL. CO.-DYSART
227	351166	FARMERS & MERCHANTS MUTUAL TEL. CO.
228	351168	FARMERS MUTUAL COOP TEL CO- HARLAN
229	351169	FARMERS MUTUAL COOP. TEL. CO.-MOULTON
230	351171	FARMERS MUTUAL TEL. CO.-JESUP
231	351173	FARMERS MUTUAL TEL. COOP.-SHELLSBURG
232	351174	FARMERS MUTUAL TEL. CO.-STANTON
233	351175	FARMERS TEL. CO.-BATAVIA
234	351176	FARMERS TEL. CO.-ESSEX
235	351177	FARMERS TEL. CO.-RICEVILLE
236	351179	FENTON COOP. TEL. CO.
237	351188	GOLDFIELD TEL. CO.
238	351189	RIVER VALLEY TELECOMMUNICATIONS COOP.
239	351191	GRAND MOUND COOP. TEL. ASSN.
240	351195	GRISWOLD COOP. TEL. CO.
241	351199	HAWKEYE TEL. CO.
242	351202	HOSPERS TEL. EXCHANGE, INC.
243	351203	HUBBARD COOP. TEL. ASSN.
244	351205	HUXLEY COMMUNICATIONS COOPERATIVE
245	351206	IAMO TEL. CO.-IA

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Obs	Study Area Code	Study Area Name
246	351209	INTERSTATE 35 TEL. CO. DBA INTERSTATE COMM.
247	351212	JEFFERSON TEL. CO.-IA
248	351213	JORDAN SOLDIER VALLEY TELEPHONE COMPANY
249	351217	KEYSTONE FRMS. COOP. TEL. CO.
250	351220	LA PORTE CITY TEL. CO.
251	351222	LA MOTTE TEL. CO.
252	351225	LEHIGH VALLEY COOP. TEL. ASSN.
253	351228	LONE ROCK COOP. TEL. CO.
254	351230	NORTHEAST IOWA TEL. CO.
255	351232	LYNNVILLE TELEPHONE COMPANY
256	351235	FARMERS MUTUAL COOPERATIVE TEL CO (MANILLA)
257	351237	MARNE & ELK HORN TEL. CO.
258	351238	MARTELLE COOP. TEL. ASSN.
259	351239	MASSENA TEL. CO.
260	351241	MECHANICSVILLE TEL. CO.
261	351242	MILES COOP. TEL. ASSN.
262	351243	MILLER TEL. CO.-IA
263	351245	MINBURN TEL. CO.
264	351246	MINERVA VALLEY TEL. CO., INC.
265	351247	MODERN COOP. TEL. CO.
266	351248	MONTEZUMA MUTUAL TEL. CO.
267	351250	MUTUAL TEL. CO. OF MORNING SUN
268	351251	MEDIAPOLIS TEL. CO.
269	351252	MUTUAL TEL. CO.
270	351257	NORTH ENGLISH COOP. TEL. CO.
271	351259	NORTHERN IOWA TEL. CO.
272	351260	NORTHWEST IOWA TEL. CO., INC.
273	351261	NORTHWEST TEL. COOP.
274	351262	COMMUNICATIONS 1 NETWORK, INC.
275	351263	OGDEN TEL. CO.-IA
276	351264	OLIN TEL. CO., INC.
277	351265	ONSLOW COOP. TEL. ASSN.
278	351266	ORAN MUTUAL TEL. CO.
279	351269	PALO COOP. TEL. ASSN.
280	351270	PALMER MUTUAL TEL. CO.
281	351271	PANORA COMMUNICATIONS COOPERATIVE
282	351273	PEOPLES TEL. CO.-IA
283	351274	CENTURYTEL OF POSTVILLE, INC.
284	351275	PRAIRIEBURG TEL. CO., INC.
285	351276	PRESTON TEL. CO.
286	351277	RADCLIFFE TEL. CO., INC.
287	351278	READLYN TEL. CO.
288	351280	RINGSTED TEL. CO.
289	351282	ROCKWELL COOP. TEL. ASSN.
290	351283	ROYAL TEL. CO.
291	351284	RUTHVEN TEL. EXCH. CO.
292	351285	SAC COUNTY MUTUAL TEL. CO.
293	351291	SCHALLER TEL. CO.
294	351292	SEARSBORO TEL. CO.

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Obs	Study Area Code	Study Area Name
295	351293	SHARON TEL. CO.
296	351294	SCRANTON TEL. CO.
297	351298	SOUTH SLOPE COOP. TEL. CO.
298	351301	SOUTHWEST TEL. EXCH., INC.
299	351302	SPRINGVILLE COOP. TEL. ASSN.
300	351303	COOPERATIVE TEL. EXCHANGE
301	351304	SWISHER TEL. CO.
302	351306	SULLY TEL. ASSOC.
303	351307	SUPERIOR TEL. COOP.
304	351308	TEMPLETON TEL. CO.
305	351309	TERRIL TELEPHONE COOPERATIVE
306	351310	TITONKA TEL. CO.
307	351319	VAN BUREN TEL. CO., INC.
308	351320	VAN HORNE COOP. TEL. CO.
309	351322	VENTURA TEL. CO., INC.
310	351324	VILLISCA FARMERS TEL. CO.
311	351326	WALNUT TEL. CO.
312	351328	WEBSTER-CALHOUN COOP. TEL. ASSN.
313	351329	WELLMAN COOP. TEL. ASSN.
314	351331	WEST IOWA TEL. CO.
315	351334	WESTERN IOWA TEL. ASSN.
316	351335	WESTSIDE INDP. TEL. CO.
317	351336	WILTON TEL. CO.
318	351342	WOOLSTOCK MUT. TEL. ASSN.
319	351343	WYOMING MUTUAL TEL. CO.
320	351344	PRAIRIE TEL. CO., INC.
321	351405	HILLS TEL. CO., INC.-IA
322	351424	MABEL COOP. TEL. CO.-IA
323	361347	ALBANY MUTUAL TEL. ASSN., INC.
324	361348	WILDERNESS VALLEY TELEPHONE COMPANY, INC.
325	361353	CITY OF BARNESVILLE TEL. CO.
326	361356	BENTON COOP. TEL. CO.
327	361358	BLUE EARTH VALLEY TEL. CO.
328	361362	BRIDGEWATER TEL. CO.
329	361365	CALLAWAY TEL. CO.
330	361372	CLEMENTS TEL. CO.
331	361373	CONSOLIDATED TEL. CO.-MN
332	361375	MID-COMMUNICATIONS, INC. dba HICKORYTECH
333	361380	DELAVAN TEL. CO.
334	361381	DUNNELL TEL. CO., INC.
335	361384	EASTON TEL. CO.
336	361389	FARMERS MUTUAL TEL. CO.-BELLINGHAM
337	361390	FEDERATED TEL. COOP.
338	361396	GARDONVILLE COOP. TEL. ASSN.
339	361401	HALSTAD TEL. CO.
340	361403	FEDERATED UTILITIES, INC. DBA HANCOCK TEL. CO
341	361404	HARMONY TEL. CO.
342	361405	HILLS TEL. CO., INC.-MN
343	361408	HOME TEL. CO.-MN

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Obs	Study Area Code	Study Area Name
344	361409	HUTCHINSON TELEPHONE COMPANY
345	361412	KASSON & MANTORVILLE TEL. CO.
346	361413	MID STATE TEL. CO. DBA KMP TEL. CO.
347	361419	LISMORE COOPERATIVE TELEPHONE CO.
348	361423	LOWRY TELEPHONE COMPANY, LLC
349	361424	MABEL COOPERATIVE TELEPHONE CO.- MN
350	361426	MANCHESTER-HARTLAND TELEPHONE CO.
351	361427	MANKATO CITIZENS TELEPHONE CO dba HICKORYTECH
352	361430	MELROSE TELEPHONE COMPANY
353	361431	MIDWEST TEL. CO.
354	361439	MINNESOTA VALLEY TEL. CO. INC.
355	361440	CANNON VALLEY TELECOM, INC.
356	361443	LORETEL SYSTEMS, INC.
357	361448	OSAKIS TELEPHONE COMPANY
358	361450	PARK REGION MUTUAL TEL. CO.
359	361472	REDWOOD COUNTY TEL. CO.
360	361474	ROTHSAY TELEPHONE COMPANY INC.
361	361475	RUNESTONE TEL. ASSN.
362	361476	SACRED HEART TEL. CO.
363	361479	SCOTT RICE TEL. CO. dba INTEGRA TELECOM
364	361485	SPRING GROVE COMMUNICATIONS
365	361487	STARBUCK TEL. CO.
366	361494	UPSALA COOPERATIVE TELEPHONE ASSN.
367	361495	VALLEY TEL. CO.-MN
368	361499	CROSSLAKE TELEPHONE COMPANY
369	361500	NORTHERN TELEPHONE COMPANY OF MN
370	361502	WESTERN TELEPHONE COMPANY
371	361505	WIKSTROM TELEPHONE COMPANY INC.
372	361507	WINSTED TELEPHONE COMPANY
373	361508	WINTHROP TEL. CO.
374	361512	WOLVERTON TELEPHONE COMPANY
375	361515	ZUMBROTA TELEPHONE COMPANY
376	361654	INTERSTATE TELECOMMUNICATIONS COOP., INC.-MN
377	371530	CONSOLIDATED TELCO, INC.
378	371532	CONSOLIDATED TELEPHONE COMPANY- NE
379	371555	HAMILTON TELEPHONE COMPANY
380	371562	CONSOLIDATED TELECOM, INC.
381	371563	HOOPER TELEPHONE COMPANY
382	371565	K & M TELEPHONE COMPANY INC.
383	371581	PIERCE TELEPHONE COMPANY
384	371590	SODTOWN TEL. CO.
385	381509	WOLVERTON TEL. CO.
386	381601	ABSARAKA COOP TELEPHONE CO.
387	381614	POLAR COMMUNICATIONS MUTUAL AID CORP (A)
388	381615	GRIGGS COUNTY TELEPHONE COMPANY
389	381622	MOORE & LIBERTY TELEPHONE COMPANY
390	381625	NORTHWEST COMMUNICATIONS COOPERATIVE
391	381631	RED RIVER RURAL TEL. ASSN.
392	381638	MIDSTATE COMMUNICATIONS INC.

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Obs	Study Area Code	Study Area Name
393	383303	SRT COMMUNICATIONS, INC.
394	391640	ARMOUR INDEPENDENT TELEPHONE CO.
395	391642	ALLIANCE COMMUNICATIONS COOP., INC. (BALTIC)
396	391649	BERESFORD MUNICIPAL TEL. CO.
397	391650	CITY OF BROOKINGS MUNICIPAL TEL. DEPT.
398	391653	CITY OF FAITH MUNICIPAL TEL CO
399	391654	INTERSTATE TELECOMMUNICATIONS COOP., INC.
400	391657	ALLIANCE COMMUNICATIONS COOP. INC (SPLITROCK)
401	391660	FORT RANDALL TEL. CO. DBA MT. RUSHMORE TEL CO
402	391664	JAMES VALLEY COOPERATIVE TEL CO
403	391669	MCCOOK COOPERATIVE TELEPHONE CO.
404	391671	WEST RIVER TELECOMMUNICATIONS COOP.(MOBRIDGE)
405	391677	SIOUX VALLEY TELEPHONE COMPANY
406	391682	TRI-COUNTY TELCOM, INC.
407	391684	UNION TELEPHONE COMPANY
408	391688	WESTERN TELEPHONE COMPANY
409	401710	MAGAZINE TELEPHONE COMPANY
410	401712	MOUNTAIN VIEW TELEPHONE COMPANY
411	401722	E. RITTER TELEPHONE COMPANY
412	421206	IAMO TELEPHONE COMPANY - MO
413	421759	CRAW-KAN TELEPHONE COOP INC - MO
414	421876	FARBER TELEPHONE COMPANY
415	421893	CHOCTAW TELEPHONE COMPANY
416	421900	KLM TEL. CO.
417	421932	LATHROP TELEPHONE COMPANY
418	421936	PEACE VALLEY TELEPHONE CO.
419	421942	ROCK PORT TEL. CO.
420	431704	LAVACA TELEPHONE CO.- OK
421	431968	BEGGS TELEPHONE COMPANY
422	432141	SANTA ROSA TELEPHONE COOP. INC.
423	442043	NORTH TEXAS TELEPHONE COMPANY
424	442107	LIVINGSTON TELEPHONE COMPANY
425	462198	PINE DRIVE TEL. CO.
426	462206	STONEHAM COOPERATIVE TEL. CO.
427	462210	WILLARD TEL. CO.
428	472227	MUD LAKE TELEPHONE COOPERATIVE ASSN. INC.
429	482252	RONAN TEL. CO.
430	502279	GUNNISON TEL. CO.
431	502282	MANTI TELEPHONE COMPANY
432	502283	SKYLINE TELECOM
433	522430	MCDANIEL TELEPHONE COMPANY
434	532386	MT. ANGEL TELEPHONE COMPANY
435	532396	ST. PAUL COOP. TEL. ASSN.
436	613005	CIRCLE UTILITIES
437	613026	NORTH COUNTRY TELEPHONE COMPANY

Appendix B
2008 Average Schedule USF Study
Sample Average Schedule Study Areas
Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
100019	6244	6	1.5000	365.00
100020	6342	3	1.0000	328.30
120042	459	1	1.5310	143.94
120043	1713	1	0.5000	419.62
140053	851	1	3.0000	348.52
150076	1354	1	2.5000	374.11
150125	7782	2	1.0000	282.72
170151	20147	2	1.0000	279.57
170156	4708	1	1.0000	404.55
170161	288235	79	1.0000	254.37
170162	50921	10	1.0000	274.99
170175	5057	1	1.0000	381.22
170191	11082	8	1.0000	396.44
170193	61244	8	1.0000	288.49
170195	497	1	3.3943	436.87
170196	10804	4	1.0000	305.08
170197	1309	1	1.0000	312.98
170210	1312	1	1.0000	363.99
190226	31218	4	1.0000	326.78
190236	1045	1	2.5000	476.67
190237	1355	3	4.1218	504.19
190248	6436	6	1.0000	712.20
190253	2200	1	1.0000	443.62
200258	1400	1	0.5000	454.60
220375	7170	3	1.0000	634.45
220387	21154	2	1.0000	281.33
220389	6433	3	3.4598	416.41
230491	105441	3	1.0000	387.06
230500	1242	1	2.5762	507.09
230501	34948	12	1.0000	406.76
230511	28050	10	1.0000	417.38
240515	4976	1	2.5000	685.60
240516	16157	3	1.0000	506.55
240532	629	1	3.8771	415.34
240536	13689	6	3.1295	583.67
240541	2155	1	2.5000	629.58
240546	15373	7	1.0000	399.97
250283	11168	3	1.0000	297.89
250285	942	1	2.6329	691.63
250311	2328	4	3.2876	565.96
250312	7072	1	1.0000	294.91
250322	4448	4	1.0000	761.02
260398	25350	8	1.0000	280.46
260408	6568	3	2.5000	490.87
260412	1328	1	2.5000	439.36
260414	16149	7	1.5000	616.70

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Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
260419	7680	6	1.0000	425.75
270428	1233	1	3.0000	514.67
280460	5657	4	4.8566	410.80
287449	847	1	3.1176	576.25
290554	11845	5	1.5000	562.00
290559	19883	1	1.0000	485.95
290565	25830	10	1.0000	491.75
300591	775	1	3.0018	689.97
300594	9783	2	1.0000	438.04
300609	3533	1	1.0000	402.39
300614	812	1	3.0610	633.16
300619	1099	1	2.5000	419.15
300634	3044	1	2.5000	550.62
300645	1146	1	2.5004	399.68
300650	1478	2	2.5000	288.97
300651	395	1	3.3823	243.81
300654	756	1	2.6798	471.63
310675	4775	4	1.0000	488.61
310676	6711	4	4.6239	559.16
310688	1524	1	1.0000	398.02
310725	1125	1	2.5000	503.17
320744	1665	3	3.6982	554.98
320751	2348	2	2.5993	606.52
320756	1049	1	2.5000	717.92
320777	2671	1	2.5000	410.02
320792	2779	1	2.5000	624.88
320826	986	1	2.5000	603.93
320827	1675	1	2.5000	602.97
330842	6658	3	1.0000	369.62
330848	203	2	2.5000	1186.05
330849	1389	1	2.5000	497.29
330865	1572	1	2.5000	447.78
330881	30069	2	1.0000	356.78
330889	1889	2	2.7389	514.12
330896	1601	2	3.5311	455.34
330915	4939	1	2.5000	480.78
330944	8595	2	1.0000	308.88
330951	2861	1	2.5000	270.98
330955	9848	1	1.0000	411.01
330960	3935	6	5.0119	516.80
330966	7252	8	5.2930	437.22
330968	7214	1	1.0000	397.36
341016	7203	2	1.0000	447.85
341050	3384	1	2.5000	507.25
341087	710	1	2.7197	727.89
351108	161	1	2.5000	393.94

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2008 Average Schedule USF Study
Sample Average Schedule Study Areas
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Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
351113	1471	1	2.8647	305.98
351119	417	1	4.9462	403.35
351139	1460	4	3.7143	551.76
351146	350	1	4.4031	708.66
351160	1168	2	5.0409	411.53
351166	1068	1	3.2123	443.89
351168	1857	7	1.0000	975.37
351188	541	1	1.0000	605.26
351189	886	2	2.5000	323.28
351199	453	1	4.1068	395.98
351212	3236	1	1.0000	342.98
351213	587	2	1.0000	1078.78
351220	1762	2	3.1112	465.56
351228	258	1	4.0164	481.70
351230	1912	3	3.9500	335.60
351237	1457	4	2.5111	485.01
351242	722	1	3.3171	469.47
351243	97	1	2.5000	401.78
351251	1997	3	2.5934	461.70
351252	4986	1	2.5000	388.65
351260	5442	3	1.0000	502.30
351271	1885	1	4.7518	357.35
351274	1715	1	1.0000	305.00
351277	472	1	3.6304	625.67
351278	885	1	3.4404	592.56
351283	442	1	1.0000	949.67
351291	1690	4	1.0000	613.18
351292	468	1	1.0000	988.65
351293	1098	2	4.1220	598.39
351298	13581	6	1.0000	384.30
351301	725	3	2.8579	854.53
351302	1147	1	2.5000	464.49
351303	611	2	5.7389	415.02
351307	172	1	5.9575	990.85
351309	459	1	1.0000	512.52
351319	2766	6	3.0081	367.94
351320	578	1	1.0000	1085.79
351322	482	1	3.1856	435.26
351328	4485	16	3.5135	581.35
351331	4767	6	1.0000	569.11
351336	1809	1	2.5000	373.11
351343	620	1	3.2706	522.56
361347	3505	3	6.0259	444.63
361348	78	1	2.5000	844.38
361353	1166	1	2.5000	262.03
361358	6765	7	1.0000	450.25

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2008 Average Schedule USF Study
Sample Average Schedule Study Areas
Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
361362	8130	2	1.0000	445.40
361365	297	1	3.0284	519.89
361373	9602	10	2.8174	448.92
361375	8495	11	1.0000	440.49
361384	272	1	1.0000	476.17
361403	831	1	2.6570	293.51
361409	11533	1	1.0000	407.22
361412	4469	3	2.5000	438.49
361422	1797	1	2.5000	941.58
361424	756	2	4.6130	555.32
361425	1565	1	2.5000	512.96
361427	30418	1	1.0000	326.47
361431	2701	4	2.5000	468.95
361443	11704	9	2.5443	322.70
361479	17336	3	1.0000	373.27
361485	1272	2	3.5423	409.08
361494	1096	1	2.5000	653.34
361495	753	2	1.0000	621.27
361505	6141	18	1.5000	766.41
371530	1518	5	0.5000	602.73
371555	5741	9	1.5789	434.28
371555	5741	9	3.0000	434.28
371562	1138	3	1.5805	856.48
371581	1720	2	3.0000	518.29
371590	82	1	1.2500	487.97
371590	82	1	3.0000	487.97
381614	2109	6	4.5874	316.31
381622	955	2	2.9154	535.21
383303	36117	26	1.0000	332.38
391640	1542	3	3.0000	160.57
391649	1473	1	1.2500	362.08
391650	11756	1	0.5000	294.68
391660	6062	8	3.0000	502.02
391664	3806	14	0.5000	770.45
391669	2067	6	0.5000	730.55
391674	2054	8	1.5078	1150.63
391674	2054	8	3.0000	1150.63
391677	4976	5	0.5000	464.89
391677	4976	5	3.0000	464.89
391682	398	2	1.7566	927.17
391684	1634	2	2.1283	508.00
401712	7033	8	1.0000	304.82
421759	2515	6	2.5021	675.56
421893	575	1	3.5759	802.30
421936	532	1	3.1100	584.03
431704	1283	1	0.5000	511.26

Appendix B
2008 Average Schedule USF Study
Sample Average Schedule Study Areas
Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
431704	1283	1	3.0000	511.26
431968	1786	1	1.2500	665.87
432141	742	3	3.0000	605.45
442038	1318	1	0.5000	424.99
442107	7509	1	0.5000	428.85
462206	74	1	1.2500	456.96
462206	74	1	3.0000	456.96
472227	1402	5	1.5044	447.63
502279	1646	1	2.5000	369.75
502282	2993	2	5.5530	426.55
502283	2549	5	2.7364	562.55
522430	4290	3	3.0000	431.41
613026	171	1	3.0000	417.52

Appendix C
2008 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
1	100005	741	1	741	2,107	478.53	1,517	-0.63	-28.00
2	100015	10553	7	1508	11,318	464.75	13,733	0.29	21.34
3	100019	6135	6	1023	13,471	473.46	10,878	-0.38	-19.25
4	100020	6340	3	2113	0	453.87	4,514	0.71	100.00
5	100022	8531	3	2844	0	440.73	2	0.00	100.00
6	120042	470	1	470	4,830	544.45	2,641	-4.44	-45.32
7	120043	1724	1	1724	1,304	460.86	1,880	0.34	44.17
8	140053	883	1	883	2,204	475.98	1,686	-0.52	-23.50
9	140064	3656	6	609	20,680	505.06	12,740	-2.17	-38.39
10	150076	1225	1	1225	2,038	469.83	1,931	0.09	-5.25
11	150125	7640	2	3820	0	420.49	0	0.00	0.00
12	170145	2777	1	2777	0	441.93	181	0.07	100.00
13	170151	19459	2	9730	0	331.60	0	0.00	0.00
14	170156	4361	1	4361	0	408.98	0	0.00	0.00
15	170161	281214	79	3560	0	331.60	0	0.00	0.00
16	170162	51226	10	5123	0	331.60	0	0.00	0.00
17	170165	53069	6	8845	0	331.60	0	0.00	0.00
18	170171	1351	1	1351	2,063	467.57	1,964	-0.08	-4.80
19	170175	5009	1	5009	0	395.20	0	0.00	0.00
20	170179	5618	2	2809	0	441.36	193	0.03	100.00
21	170191	11599	8	1450	15,259	465.79	15,747	0.05	3.20
22	170193	60184	8	7523	0	331.60	0	0.00	0.00
23	170195	484	1	484	4,596	540.48	2,615	-3.63	-43.10
24	170196	10742	4	2686	0	443.57	1,655	0.15	100.00
25	170197	1369	1	1369	2,028	467.24	1,966	-0.04	-3.06
26	170200	2260	1	2260	0	451.23	1,286	0.57	100.00
27	170204	2747	2	1374	3,909	467.15	3,932	0.06	0.59
28	170210	1335	1	1335	2,038	467.86	1,962	-0.02	-3.73
29	170215	845	1	845	2,190	476.66	1,645	-0.53	-24.89
30	170277	40	1	40	1,004	666.30	519	-12.77	-48.31
31	190219	4226	2	2113	0	453.87	3,009	0.71	100.00
32	190220	168	1	168	3,463	630.03	1,800	-10.66	-48.02
33	190225	7297	5	1459	9,333	465.63	9,843	0.09	5.46
34	190226	31421	4	7855	0	334.68	0	0.00	0.00
35	190236	1064	1	1064	2,244	472.73	1,844	-0.33	-17.83
36	190237	1401	3	467	14,659	545.30	7,936	-4.72	-45.86
37	190238	1629	5	326	25,672	585.26	12,894	-6.95	-49.77
38	190239	902	1	902	2,214	475.64	1,706	-0.51	-22.94
39	190243	2821	2	1411	3,870	466.49	3,937	0.05	1.73
40	190248	6290	6	1048	13,481	473.01	10,999	-0.38	-18.41
41	190250	25358	9	2818	0	441.20	651	0.03	100.00
42	190253	2185	1	2185	0	452.58	1,403	0.64	100.00
43	200258	1406	1	1406	1,917	466.58	1,969	0.08	2.71
44	220324	3795	1	3795	0	421.02	0	0.00	0.00
45	220364	6830	4	1708	4,968	461.15	7,556	0.40	52.09
46	220380	5443	6	907	13,311	475.55	10,267	-0.49	-22.87
47	220387	21184	2	10592	0	331.60	0	0.00	0.00
48	220389	6344	3	2115	0	453.83	4,503	0.71	100.00
49	220395	4110	3	1370	5,924	467.23	5,900	0.04	-0.41
50	230478	2186	1	2186	0	452.56	1,401	0.64	100.00
51	230491	100840	3	33613	0	331.60	0	0.00	0.00
52	230494	1826	1	1826	971	459.03	1,810	0.46	86.41
53	230495	4309	1	4309	0	410.09	0	0.00	0.00
54	230496	9688	7	1384	13,724	466.97	13,772	0.04	0.35

Appendix C
2008 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
55	230497	3030	2	1515	3,295	464.62	3,922	0.26	19.03
56	230500	1162	1	1162	2,173	470.96	1,903	-0.11	-12.43
57	230501	35599	12	2967	0	438.52	0	0.00	0.00
58	230503	14196	6	2366	0	449.32	6,608	0.47	100.00
59	230505	3384	3	1128	6,714	471.58	5,656	-0.33	-15.76
60	230511	29274	10	2927	0	439.24	0	0.00	0.00
61	240515	5027	1	5027	0	394.82	0	0.00	0.00
62	240516	16036	3	5345	0	388.06	0	0.00	0.00
63	240532	593	1	593	3,285	509.59	2,212	-1.56	-32.66
64	240535	757	1	757	2,121	478.25	1,539	-0.61	-27.44
65	240536	13798	6	2300	0	450.51	7,312	0.53	100.00
66	240541	2162	1	2162	0	452.99	1,436	0.66	100.00
67	240546	16333	7	2333	0	449.92	8,134	0.50	100.00
68	250283	11069	3	3690	0	423.25	0	0.00	0.00
69	250285	957	1	957	2,237	474.65	1,759	-0.45	-21.37
70	250301	2020	2	1010	4,490	473.70	3,608	-0.33	-19.64
71	250311	2230	4	558	14,436	519.51	9,516	-1.79	-34.08
72	250312	7175	1	7175	0	349.14	0	0.00	0.00
73	250322	4418	4	1105	8,914	471.99	7,482	-0.25	-16.06
74	260396	5891	7	842	15,349	476.72	11,486	-0.52	-25.17
75	260398	24899	8	3112	0	435.54	0	0.00	0.00
76	260408	6384	3	2128	0	453.60	4,452	0.70	100.00
77	260412	1314	1	1314	2,050	468.23	1,958	-0.02	-4.49
78	260414	16244	7	2321	0	450.13	8,274	0.51	100.00
79	260417	2052	1	2052	0	454.97	1,583	0.77	100.00
80	260419	7645	6	1274	12,559	468.95	11,688	-0.05	-6.94
81	270428	1246	1	1246	2,154	469.45	1,939	-0.15	-9.98
82	280451	1776	1	1776	750	459.93	1,847	0.65	146.27
83	280460	5318	4	1330	7,796	467.94	7,839	0.11	0.55
84	280467	923	1	923	2,237	475.26	1,727	-0.41	-22.80
85	287449	757	1	757	2,151	478.25	1,539	-0.55	-28.45
86	290553	34149	17	2009	2,910	455.74	27,772	0.73	854.36
87	290554	12467	5	2493	0	447.04	4,264	0.34	100.00
88	290565	25902	10	2590	0	445.30	6,417	0.25	100.00
89	290570	5617	5	1123	11,109	471.67	9,415	-0.24	-15.25
90	290598	1549	4	387	20,145	567.97	10,676	-4.45	-47.00
91	300585	672	1	672	2,043	487.20	1,692	-0.27	-17.18
92	300586	1216	1	1216	2,144	469.99	1,928	-0.10	-10.07
93	300588	1083	1	1083	2,220	472.39	1,857	-0.20	-16.35
94	300589	699	1	699	2,056	479.55	1,470	-0.66	-28.50
95	300590	1101	3	367	15,513	573.64	7,927	-6.42	-48.90
96	300591	583	1	748	1,666	478.41	1,190	-0.63	-28.57
97	300594	9706	2	4853	0	398.52	0	0.00	0.00
98	300604	1674	1	1674	1,228	461.76	1,907	0.44	55.29
99	300609	3445	1	3445	0	428.46	0	0.00	0.00
100	300614	825	1	825	2,161	477.02	1,622	-0.59	-24.94
101	300619	1110	1	1110	2,220	471.90	1,874	-0.22	-15.59
102	300625	1539	1	1539	1,781	464.19	1,956	0.10	9.83
103	300633	639	1	639	2,532	496.56	1,933	-0.75	-23.66
104	300634	3113	1	3113	0	435.52	0	0.00	0.00
105	300639	1282	1	1282	2,086	468.81	1,950	-0.05	-6.52
106	300645	1156	1	1156	2,209	471.07	1,900	-0.22	-13.99
107	300650	1484	2	742	4,137	478.51	3,037	-0.70	-26.59
108	300651	397	1	397	5,144	565.14	2,675	-5.78	-48.00

Appendix C
2008 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
109	300654	721	1	721	2,065	478.89	1,490	-0.68	-27.85
110	300656	1287	1	1287	2,023	468.72	1,952	0.05	-3.51
111	300659	8746	2	4373	0	408.73	0	0.00	0.00
112	300662	706	1	706	2,054	479.16	1,470	-0.69	-28.43
113	300663	270	1	331	4,343	583.84	2,113	-6.90	-51.35
114	300664	945	1	945	2,216	474.87	1,748	-0.54	-21.12
115	310669	4684	1	4684	0	402.11	0	0.00	0.00
116	310675	4762	4	1191	8,740	470.44	7,664	-0.18	-12.31
117	310676	5770	4	1787	4,717	459.73	5,940	0.20	25.93
118	310678	1351	1	1351	2,088	467.57	1,964	-0.12	-5.94
119	310688	1322	1	1322	2,011	468.09	1,959	0.03	-2.59
120	310692	728	1	728	2,039	478.77	1,500	-0.73	-26.43
121	310694	668	1	668	2,253	488.34	1,723	-0.70	-23.52
122	310703	2043	4	543	13,514	523.76	9,189	-1.41	-32.00
123	310725	1041	1	1041	2,230	473.14	1,828	-0.20	-18.03
124	310735	1042	1	1042	2,245	473.12	1,828	-0.34	-18.57
125	320744	1593	3	531	12,264	527.16	7,458	-2.68	-39.19
126	320750	2076	1	2076	0	454.53	1,552	0.75	100.00
127	320751	2368	2	1184	4,381	470.57	3,828	-0.19	-12.62
128	320756	1060	1	1060	2,241	472.80	1,842	-0.30	-17.80
129	320771	491	1	491	4,357	538.50	2,600	-2.88	-40.33
130	320777	2564	1	2564	0	445.76	699	0.27	100.00
131	320778	2026	1	2026	0	455.43	1,614	0.80	100.00
132	320792	2717	1	2720	0	442.96	329	0.12	100.00
133	320796	922	1	922	2,246	475.28	1,726	-0.31	-23.15
134	320809	1696	3	565	11,019	517.53	7,056	-2.05	-35.97
135	320816	401	1	401	5,098	564.00	2,678	-5.23	-47.47
136	320826	971	1	971	2,246	474.40	1,771	-0.30	-21.15
137	320827	1705	1	1705	1,251	461.20	1,891	0.39	51.16
138	320829	4221	1	4221	0	411.96	0	0.00	0.00
139	320830	3069	4	767	8,581	478.07	6,208	-0.57	-27.65
140	320837	756	1	756	2,094	478.26	1,537	-0.67	-26.60
141	320839	926	1	926	2,230	475.21	1,730	-0.46	-22.42
142	330842	6557	3	2186	0	452.56	4,203	0.64	100.00
143	330843	4848	3	1616	4,204	462.80	5,797	0.37	37.89
144	330846	4288	2	2144	0	453.31	2,923	0.68	100.00
145	330847	847	1	847	2,185	476.63	1,647	-0.55	-24.62
146	330848	200	2	100	4,892	649.30	2,384	-11.49	-51.27
147	330849	1386	1	1386	1,937	466.94	1,968	0.07	1.60
148	330851	1902	1	1902	422	457.66	1,745	0.71	313.51
149	330856	3424	2	1712	2,284	461.08	3,775	0.46	65.28
150	330865	1581	1	1581	1,583	463.43	1,944	0.25	22.80
151	330868	2326	3	775	6,337	477.92	4,686	-0.65	-26.05
152	330872	1619	1	1619	949	462.75	1,931	0.68	103.48
153	330875	1180	1	1180	2,204	470.64	1,912	-0.23	-13.25
154	330879	3528	3	1176	6,678	470.71	5,730	-0.31	-14.20
155	330880	6084	4	1521	6,842	464.51	7,838	0.19	14.56
156	330881	31188	2	15594	0	331.60	0	0.00	0.00
157	330889	1955	2	978	4,485	474.27	3,552	-0.41	-20.80
158	330892	1620	1	1620	1,489	462.73	1,931	0.29	29.68
159	330896	1632	2	816	4,289	477.18	3,223	-0.62	-24.85
160	330900	3190	2	1595	3,016	463.18	3,880	0.30	28.65
161	330902	2292	2	1146	4,393	471.25	3,790	-0.17	-13.73
162	330905	2543	2	1272	4,320	468.99	3,893	-0.19	-9.88

Appendix C
2008 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
163	330914	5625	5	1125	10,899	471.63	9,416	-0.10	-13.61
164	330915	4942	1	4942	0	396.63	0	0.00	0.00
165	330925	2335	1	2335	0	449.88	1,158	0.50	100.00
166	330930	3649	5	730	10,312	478.73	7,512	-0.69	-27.15
167	330938	8590	4	2148	0	453.24	5,823	0.68	100.00
168	330943	3461	2	1731	2,150	460.74	3,752	0.49	74.51
169	330944	8777	2	4389	0	408.39	0	0.00	0.00
170	330945	2539	2	1270	4,183	469.02	3,891	-0.05	-6.98
171	330946	1062	2	531	7,925	527.16	4,972	-2.32	-37.26
172	330951	2875	1	2875	0	440.17	0	0.00	0.00
173	330955	9816	1	9816	0	331.60	0	0.00	0.00
174	330962	4512	4	1128	8,888	471.58	7,541	-0.24	-15.16
175	330966	7491	8	936	17,779	475.03	13,919	-0.50	-21.71
176	330967	3767	1	3767	0	421.61	0	0.00	0.00
177	330968	7179	1	7179	0	349.06	0	0.00	0.00
178	330970	5970	5	1194	10,792	470.39	9,593	-0.11	-11.11
179	340976	3952	13	304	65,424	591.49	32,821	-7.52	-49.83
180	340983	1447	2	792	4,070	477.62	2,892	-0.53	-28.94
181	340990	290	1	290	4,831	595.46	2,480	-8.52	-48.66
182	340993	535	1	535	3,801	526.03	2,472	-1.93	-34.96
183	340998	532	1	532	3,901	526.88	2,483	-2.16	-36.35
184	341016	7139	2	3570	0	425.80	0	0.00	0.00
185	341017	1174	1	1174	2,190	470.75	1,909	-0.17	-12.83
186	341021	98	1	98	2,398	649.87	1,171	-11.56	-51.17
187	341024	2151	7	307	35,244	590.64	17,750	-7.57	-49.64
188	341029	1374	2	687	4,094	482.95	3,143	-0.49	-23.23
189	341041	88	1	88	2,216	652.70	1,067	-11.70	-51.85
190	341046	164	1	164	3,494	631.16	1,769	-10.52	-49.37
191	341050	3088	1	3088	0	436.05	0	0.00	0.00
192	341053	3701	2	1851	1,147	458.58	3,579	0.67	212.03
193	341062	560	1	560	3,901	518.94	2,372	-2.60	-39.20
194	341075	482	1	482	4,442	541.05	2,619	-3.03	-41.04
195	341086	519	1	519	4,347	530.56	2,525	-3.28	-41.91
196	341087	627	1	627	2,006	499.96	2,012	0.37	0.30
197	341092	87	1	87	1,986	652.98	1,057	-12.07	-46.78
198	351097	337	1	337	5,168	582.14	2,602	-6.36	-49.65
199	351098	341	1	341	5,123	581.00	2,608	-7.29	-49.09
200	351101	922	1	922	2,203	475.28	1,726	-0.57	-21.65
201	351107	317	1	317	5,063	587.81	2,560	-7.50	-49.44
202	351108	159	1	159	3,447	632.58	1,729	-10.54	-49.84
203	351112	1092	3	364	15,533	574.49	7,912	-6.62	-49.06
204	351113	1498	1	1498	1,800	464.92	1,963	0.12	9.06
205	351114	414	1	414	5,114	560.32	2,682	-5.61	-47.56
206	351115	2306	4	684	7,203	483.80	5,380	-0.48	-25.31
207	351118	1829	2	915	4,425	475.40	3,435	-0.53	-22.37
208	351119	407	1	407	5,077	562.30	2,680	-5.11	-47.21
209	351121	138	1	138	3,051	638.53	1,552	-11.02	-49.13
210	351125	5589	3	1863	2,446	458.36	5,338	0.52	118.23
211	351126	177	2	89	4,491	652.42	2,144	-11.65	-52.26
212	351130	722	1	722	2,068	478.87	1,492	-0.68	-27.85
213	351133	757	4	189	15,665	624.08	7,829	-9.90	-50.02
214	351136	608	1	608	2,995	505.34	2,128	-1.17	-28.95
215	351137	584	2	292	9,891	594.89	4,974	-7.91	-49.71
216	351139	1450	4	363	20,676	574.77	10,528	-6.25	-49.08

Appendix C
2008 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
217	351141	765	1	765	2,105	478.10	1,549	-0.65	-26.41
218	351146	347	1	347	5,151	579.30	2,617	-6.97	-49.19
219	351147	912	1	912	2,221	475.46	1,716	-0.48	-22.74
220	351149	261	1	261	4,758	603.68	2,366	-8.36	-50.27
221	351150	579	1	579	3,661	513.56	2,284	-2.24	-37.61
222	351152	1440	2	720	4,117	478.91	2,978	-0.69	-27.67
223	351153	732	1	732	2,077	478.69	1,505	-0.67	-27.54
224	351157	704	2	352	10,302	577.89	5,248	-7.06	-49.06
225	351160	1047	2	524	8,255	529.15	5,015	-2.67	-39.25
226	351162	1283	2	642	5,297	495.71	3,821	-1.02	-27.86
227	351166	834	1	834	1,971	476.86	1,632	0.57	-17.20
228	351168	1801	7	257	32,525	604.81	16,457	-8.75	-49.40
229	351169	492	1	492	4,390	538.21	2,598	-3.00	-40.82
230	351171	1943	1	1943	525	456.93	1,705	0.61	224.76
231	351173	2423	4	606	12,684	505.91	8,555	-1.51	-32.55
232	351174	1074	3	358	15,527	576.19	7,893	-6.63	-49.17
233	351175	378	1	378	5,175	570.52	2,658	-6.37	-48.64
234	351176	619	1	619	2,236	502.22	2,062	0.08	-7.78
235	351177	1533	4	383	20,659	569.10	10,660	-6.10	-48.40
236	351179	321	1	321	5,070	586.67	2,569	-7.50	-49.33
237	351188	542	1	542	4,091	524.04	2,446	-2.84	-40.21
238	351189	885	2	443	9,831	552.10	5,339	-4.53	-45.69
239	351191	540	1	540	3,407	524.61	2,454	-1.02	-27.97
240	351195	1911	4	478	18,942	542.18	10,502	-4.14	-44.56
241	351199	456	1	456	4,939	548.42	2,660	-4.83	-46.14
242	351202	706	1	706	2,054	479.16	1,470	-0.69	-28.43
243	351203	780	1	780	2,124	477.83	1,568	-0.63	-26.18
244	351205	1527	2	764	4,323	478.12	3,093	-0.53	-28.45
245	351206	369	2	185	7,990	625.21	3,842	-9.61	-51.91
246	351209	1375	3	458	14,561	547.85	7,979	-4.40	-45.20
247	351212	3308	1	3308	0	431.38	0	0.00	0.00
248	351213	318	1	318	5,099	587.52	2,562	-7.16	-49.75
249	351217	950	3	317	15,179	587.81	7,671	-7.57	-49.46
250	351220	1759	2	880	4,411	476.03	3,364	-0.52	-23.74
251	351222	783	1	783	2,050	477.78	1,572	-0.77	-23.32
252	351225	1766	4	442	19,574	552.38	10,681	-4.37	-45.43
253	351228	253	1	253	4,669	605.94	2,330	-8.61	-50.10
254	351230	1891	3	630	8,137	499.11	5,980	-0.96	-26.51
255	351232	534	1	534	4,779	526.31	2,476	-5.18	-48.19
256	351235	607	1	607	3,381	505.62	2,134	-1.99	-36.88
257	351237	1469	4	367	20,716	573.64	10,576	-6.38	-48.95
258	351238	294	1	294	4,984	594.32	2,494	-7.70	-49.96
259	351239	616	2	308	10,058	590.36	5,072	-7.56	-49.57
260	351241	752	1	752	2,072	478.34	1,532	-0.70	-26.06
261	351242	738	1	738	1,997	478.59	1,514	-0.80	-24.19
262	351243	86	1	86	2,257	653.27	1,046	-11.60	-53.66
263	351245	391	1	391	5,140	566.84	2,671	-5.61	-48.04
264	351246	744	2	372	10,316	572.22	5,299	-5.82	-48.63
265	351247	910	4	228	17,569	613.03	8,783	-9.20	-50.01
266	351248	1967	2	984	4,490	474.16	3,562	-0.35	-20.67
267	351250	597	1	597	3,340	508.46	2,190	-1.74	-34.43
268	351251	2002	3	667	6,282	488.62	5,194	-0.10	-17.32
269	351252	4489	1	4489	0	406.26	0	0.00	0.00
270	351257	842	1	842	2,184	476.72	1,642	-0.55	-24.82

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
271	351259	2304	7	329	35,770	584.41	18,115	-7.29	-49.36
272	351260	4743	3	1581	4,761	463.43	5,833	0.25	22.52
273	351261	1228	4	307	20,355	590.64	10,133	-7.08	-50.22
274	351262	662	1	662	2,615	490.04	1,768	-1.26	-32.39
275	351263	1732	1	1732	1,075	460.72	1,876	0.49	74.51
276	351264	678	2	339	10,302	581.57	5,210	-6.83	-49.43
277	351265	211	1	211	4,305	617.84	2,100	-9.18	-51.22
278	351266	249	1	249	4,598	607.08	2,311	-8.82	-49.74
279	351269	558	1	558	4,188	519.51	2,381	-3.38	-43.15
280	351270	279	1	279	4,838	598.57	2,441	-8.29	-49.55
281	351271	1942	1	1942	480	456.94	1,706	0.64	255.42
282	351273	784	1	784	2,118	477.76	1,573	-0.64	-25.73
283	351274	1684	1	1684	1,204	461.58	1,902	0.45	57.97
284	351275	205	1	205	4,081	619.55	2,062	-9.75	-49.47
285	351276	1179	2	590	5,776	510.44	4,452	-0.68	-22.92
286	351277	474	1	474	4,771	543.31	2,634	-4.22	-44.79
287	351278	910	1	910	2,052	475.49	1,714	0.37	-16.47
288	351280	372	1	372	5,173	572.22	2,650	-6.78	-48.77
289	351282	1237	4	309	20,094	590.07	10,163	-7.68	-49.42
290	351283	421	1	421	4,988	558.33	2,682	-4.62	-46.23
291	351284	750	1	750	2,064	478.37	1,529	-0.71	-25.92
292	351285	1025	2	513	9,003	532.26	5,082	-3.72	-43.55
293	351291	1777	4	444	19,931	551.82	10,693	-4.93	-46.35
294	351292	206	1	206	4,902	619.26	2,068	-0.41	-57.81
295	351293	1109	2	555	7,817	520.36	4,784	-2.55	-38.80
296	351294	507	1	507	4,421	533.96	2,560	-3.34	-42.09
297	351298	12700	5	2540	0	446.19	3,759	0.30	100.00
298	351301	700	3	233	13,512	611.61	6,694	-8.90	-50.46
299	351302	1155	1	1155	2,200	471.09	1,900	-0.19	-13.64
300	351303	607	2	304	9,993	591.49	5,041	-7.74	-49.55
301	351304	927	1	927	2,227	475.19	1,731	-0.47	-22.27
302	351306	1300	1	1300	2,139	468.48	1,954	-1.11	-8.65
303	351307	186	1	186	5,063	624.93	1,933	-5.19	-61.82
304	351308	388	1	388	5,172	567.69	2,668	-6.32	-48.41
305	351309	520	1	520	4,857	530.28	2,522	-5.35	-48.07
306	351310	533	1	533	4,211	526.60	2,479	-3.06	-41.13
307	351319	2757	6	460	29,102	547.28	15,913	-4.40	-45.32
308	351320	566	1	566	3,600	517.24	2,346	-1.89	-34.83
309	351322	420	1	477	3,981	542.46	2,314	-3.16	-41.87
310	351324	1050	2	525	7,944	528.86	5,013	-2.26	-36.90
311	351326	747	1	747	2,041	478.42	1,525	-0.75	-25.28
312	351328	4544	16	284	78,707	597.16	39,348	-7.91	-50.01
313	351329	1289	1	1289	2,101	468.68	1,952	-0.08	-7.09
314	351331	4768	6	795	12,816	477.56	9,513	-0.62	-25.77
315	351334	3500	8	438	39,372	553.52	21,384	-4.49	-45.69
316	351335	341	1	341	5,175	581.00	2,608	-6.04	-49.60
317	351336	1782	1	1782	899	459.82	1,843	0.55	105.01
318	351342	223	1	223	4,260	614.44	2,172	-9.54	-49.01
319	351343	609	1	609	3,257	505.06	2,122	-1.74	-34.85
320	351344	940	3	313	15,341	588.94	7,657	-6.97	-50.09
321	351405	2138	7	305	35,245	591.21	17,719	-7.47	-49.73
322	351424	950	3	317	15,184	587.81	7,671	-7.47	-49.48
323	361347	3546	3	1182	6,602	470.61	5,740	-0.22	-13.06
324	361348	75	1	75	1,879	656.39	927	-12.04	-50.67

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
325	361353	1232	1	1232	2,180	469.71	1,934	-0.20	-11.28
326	361356	4749	5	950	11,188	474.78	8,760	-0.43	-21.70
327	361358	6536	7	934	15,674	475.06	12,155	-0.41	-22.45
328	361362	7786	2	3893	0	418.94	0	0.00	0.00
329	361365	307	1	307	4,940	590.64	2,533	-8.22	-48.72
330	361372	194	1	194	4,043	622.66	1,989	-9.66	-50.80
331	361373	9563	10	956	22,401	474.67	17,583	-0.41	-21.51
332	361375	8578	11	780	23,477	477.83	17,240	-0.61	-26.57
333	361380	281	1	281	4,940	598.01	2,448	-7.75	-50.45
334	361381	222	1	222	4,444	614.73	2,166	-8.92	-51.26
335	361384	255	1	255	4,726	605.38	2,339	-8.40	-50.51
336	361389	1065	4	266	19,176	602.26	9,562	-8.24	-50.14
337	361390	2120	7	303	34,996	591.77	17,644	-7.75	-49.58
338	361396	3011	4	753	8,633	478.32	6,131	-0.53	-28.98
339	361401	1819	10	182	38,112	626.06	19,037	-10.06	-50.05
340	361403	823	1	823	2,166	477.06	1,620	-0.58	-25.21
341	361404	976	2	488	9,517	539.35	5,214	-4.40	-45.21
342	361405	611	3	204	12,150	619.83	6,157	-9.84	-49.33
343	361408	1957	3	652	7,742	492.87	5,527	-1.05	-28.61
344	361409	11283	1	11283	0	331.60	0	0.00	0.00
345	361412	4324	3	1441	4,561	465.95	5,908	0.44	29.53
346	361413	1873	4	468	18,992	545.02	10,581	-4.02	-44.29
347	361419	318	1	318	5,070	587.52	2,562	-7.45	-49.47
348	361423	892	1	892	2,204	475.82	1,696	-0.53	-23.05
349	361424	763	2	382	10,348	569.39	5,318	-6.37	-48.61
350	361426	575	2	288	9,903	596.02	4,938	-7.81	-50.14
351	361427	28990	1	28990	0	331.60	0	0.00	0.00
352	361430	10255	8	1282	16,706	468.81	15,600	-0.05	-6.62
353	361431	2771	4	693	7,983	481.25	6,082	-0.66	-23.81
354	361439	870	3	290	14,998	595.46	7,441	-7.52	-50.39
355	361440	1968	4	492	18,846	538.21	10,392	-4.25	-44.86
356	361443	11818	9	1313	18,315	468.25	17,619	0.01	-3.80
357	361448	1833	1	1833	760	458.90	1,804	0.58	137.37
358	361450	4408	6	735	12,436	478.64	9,053	-0.68	-27.20
359	361472	6090	10	609	20,679	505.06	21,222	0.74	2.63
360	361474	538	1	538	3,912	525.18	2,461	-2.29	-37.09
361	361475	4440	9	493	41,152	537.93	23,378	-3.66	-43.19
362	361476	478	1	478	4,756	542.18	2,627	-4.21	-44.76
363	361479	17170	3	5723	0	380.02	0	0.00	0.00
364	361485	1306	2	653	5,391	492.59	3,669	-1.28	-31.94
365	361487	1684	1	1684	1,115	461.58	1,902	0.51	70.58
366	361494	1102	1	1102	2,226	472.04	1,869	-0.24	-16.04
367	361495	772	2	386	10,351	568.25	5,333	-6.71	-48.48
368	361499	2463	1	2463	0	447.58	914	0.37	100.00
369	361500	39	1	39	931	666.59	507	-12.86	-45.54
370	361502	2345	2	1173	4,385	470.77	3,816	-0.18	-12.98
371	361505	6279	18	349	92,712	578.74	47,143	-7.04	-49.15
372	361507	1483	1	1483	1,674	465.19	1,965	0.26	17.38
373	361508	1049	1	1049	2,234	473.00	1,834	-0.23	-17.91
374	361512	171	1	171	3,660	629.18	1,823	-10.25	-50.19
375	361515	2144	1	2144	0	453.31	1,461	0.68	100.00
376	361654	1624	3	541	12,463	524.33	7,354	-3.01	-40.99
377	371530	1516	5	303	25,154	591.77	12,617	-7.47	-49.84
378	371532	2879	15	192	59,352	623.23	29,621	-9.88	-50.09

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
379	371555	5909	9	657	30,447	491.46	16,238	-2.76	-46.67
380	371562	1123	3	374	15,485	571.65	7,964	-5.89	-48.57
381	371563	1075	2	538	8,080	525.18	4,918	-2.64	-39.13
382	371565	619	2	310	10,185	589.79	5,075	-7.09	-50.17
383	371581	1748	2	874	4,401	476.14	3,353	-0.52	-23.81
384	371590	86	1	86	2,134	653.27	1,046	-11.81	-50.98
385	381509	315	2	158	6,768	632.86	3,431	-10.66	-49.31
386	381601	47	1	47	1,245	664.32	604	-12.56	-51.49
387	381614	1440	5	288	24,424	596.02	12,367	-8.16	-49.37
388	381615	1933	4	483	18,842	540.76	10,474	-4.07	-44.41
389	381622	930	2	465	9,602	545.87	5,297	-4.22	-44.83
390	381625	5329	15	355	77,148	577.04	39,444	-7.18	-48.87
391	381631	3687	10	369	51,744	573.07	26,431	-6.38	-48.92
392	381638	1055	3	352	15,478	577.89	7,865	-6.88	-49.19
393	383303	36377	25	1455	45,618	465.70	49,209	0.14	7.87
394	391640	1575	3	525	13,160	528.86	7,519	-3.51	-42.86
395	391642	2935	5	587	16,424	511.29	11,218	-1.47	-31.70
396	391649	1500	1	1500	1,829	464.89	1,963	0.09	7.33
397	391650	12528	1	12528	0	331.60	0	0.00	0.00
398	391653	356	1	356	5,176	576.75	2,629	-6.13	-49.21
399	391654	13883	26	534	110,336	526.31	64,359	-3.18	-41.67
400	391657	7991	5	1598	8,110	463.13	9,697	0.20	19.57
401	391660	6257	8	782	16,872	477.80	12,565	-0.66	-25.53
402	391664	3883	14	277	67,307	599.14	34,105	-8.43	-49.33
403	391669	2103	6	351	30,908	578.17	15,715	-6.93	-49.16
404	391671	2402	1	2402	0	448.67	1,034	0.43	100.00
405	391677	4991	5	998	11,223	473.91	8,971	-0.38	-20.07
406	391682	416	2	208	8,310	618.70	4,162	-9.59	-49.92
407	391684	1755	2	878	4,385	476.07	3,360	-0.55	-23.38
408	391688	1079	3	360	15,499	575.62	7,891	-6.66	-49.09
409	401710	986	2	493	9,192	537.93	5,192	-3.76	-43.52
410	401712	7093	8	887	17,699	475.91	13,518	-0.49	-23.62
411	401722	3985	8	498	35,476	536.51	20,675	-3.24	-41.72
412	421206	1032	4	258	18,986	604.53	9,412	-8.38	-50.43
413	421759	2445	6	408	30,726	562.02	16,064	-5.56	-47.72
414	421876	185	1	185	3,913	625.21	1,926	-9.86	-50.78
415	421893	549	1	549	3,649	522.06	2,419	-1.75	-33.71
416	421900	1440	4	360	20,655	575.62	10,531	-6.81	-49.01
417	421932	1481	1	1481	1,792	465.23	1,966	0.15	9.71
418	421936	528	1	528	4,303	528.01	2,496	-3.27	-41.99
419	421942	1759	3	586	10,502	511.58	6,751	-1.95	-35.72
420	431704	1216	1	1216	2,120	469.99	1,928	-0.05	-9.06
421	431968	1814	1	1814	1,022	459.24	1,819	0.44	77.98
422	432141	759	3	253	13,423	605.94	6,989	-9.36	-47.93
423	442043	751	2	376	10,308	571.09	5,303	-5.63	-48.55
424	442107	7777	1	7777	0	336.34	0	0.00	0.00
425	462198	949	1	949	2,230	474.79	1,751	-0.48	-21.48
426	462206	76	1	76	1,879	656.10	938	-12.06	-50.08
427	462210	61	1	61	1,591	660.35	769	-12.25	-51.67
428	472227	1347	5	290	24,790	595.46	11,521	-7.84	-53.53
429	482252	3378	2	1689	2,374	461.49	3,799	0.45	60.03
430	502279	1669	1	1669	1,414	461.85	1,910	0.31	35.08
431	502282	1585	1	1585	1,773	463.36	1,943	0.07	9.59
432	502283	1734	3	578	11,927	513.84	6,867	-3.08	-42.42

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
433	522430	4285	3	1428	5,614	466.18	5,908	0.11	5.24
434	532386	1880	1	1880	654	458.06	1,765	0.60	169.88
435	532396	625	1	625	3,215	500.52	2,024	-1.90	-37.05
436	613005	43	1	43	1,125	665.45	556	-12.64	-50.58
437	613026	178	1	178	3,733	627.20	1,876	-10.20	-49.75
Total:					3,328,932		2,220,392		